



AUSTRALIAN CHAMBER OF  
COMMERCE AND INDUSTRY

# MEDIA RELEASE

Embargoed until 12.01am - Monday 12 October 2009

## INVESTMENT IN GREENHOUSE STILL SUBDUED

Statement by Mr Peter Anderson, Chief Executive

The Australian Chamber of Commerce and Industry (ACCI), Australia's largest and most representative business organisation, says that investment by industry in greenhouse mitigation remains subdued as business continues to give high priority to managing its way through the global economic crisis.

ACCI's latest Survey of Investor Confidence reveals that for 23.3% of businesses, climate change is not a part of investment decisions and that a further 52.9% of businesses are not currently motivated to directly invest in greenhouse mitigation capital in the current environment. On a positive note though, 23.8% of businesses are still managing to factor greenhouse abatement into investment decisions when purchasing plant and equipment.

The results suggest that the credit squeeze has dampened investment in new technology for greenhouse abatement. However the early days of economic recovery present an opportunity for more businesses to focus on this goal.

"Even with this subdued result it is likely that the carbon footprint of industry has reduced during the global recession, not just as a consequence of lower demand, but also because the new vehicles and machinery purchased with the support of the investment allowance are less energy intensive."

"The current debate over an emissions trading system in Australia risks ignoring the central role that new technology has in transitioning to a lower carbon economy. Emissions trading is only a means to an end, whereas technology substitution is the more lasting solution."

"The continuing difficulty business has in accessing credit and purchasing new plant and equipment underscores the importance of getting an emissions trading scheme right, both in timing and design. Jobs and competitiveness of Australian industry is at risk if we don't."

"Our recent consultation with global business in Washington highlighted that cap and trade schemes like the Australian proposal still have a long way to go before being embraced by our global competitors."

The Survey also showed that almost half of businesses (47.6%) still view the Australian proposal as likely to have negative impacts, and that 60.1% still feel under-informed about greenhouse abatement options.

A copy of the relevant extracts of the October 2009 ACCI Survey of Investor Confidence are attached. The full Survey is available at [www.acci.asn.au/surveySOIC.htm](http://www.acci.asn.au/surveySOIC.htm).

For further information:

Peter Anderson	Chief Executive	02 6273 2311 / 0417 264 862
Greg Evans	Director, Industry Policy & Economics	02 6273 2311 / 0407 204 559
Brett Hogan	Director of Communications	03 9668 9950 / 0407 273 884

*ACCI represents over 350,000 businesses in every State and Territory and all industries. Our network employs around 4 million employees, ranging from the top 100 companies to tens of thousands of small and medium businesses.*

[www.acci.asn.au](http://www.acci.asn.au)

MR 131/09

LEADING AUSTRALIAN BUSINESS

## ACCI OCTOBER SURVEY OF INVESTOR CONFIDENCE SPECIAL SUPPLEMENTARY QUESTIONS

In this issue, ACCI also asked businesses a set of special questions on the Australian Government's proposed Carbon Pollution Reduction Scheme and greenhouse gas mitigation.

### 1. Impact of the CPRS on Business

- What do you consider will be the overall impact of the Government's proposed Carbon Pollution Reduction Scheme (CPRS), to reduce Australia's greenhouse gas emissions, will have on your business?

	Percent
<b>Negative impact</b>	47.6
<b>No impact</b>	23.0
<b>Positive impact</b>	11.0
<b>Unsure</b>	18.3

### 2. Greenhouse Gas Mitigation and Investment Decisions

- Has the policy objective of reducing greenhouse gas emissions affected your firm's investment decisions? For example, the decision to invest in particular equipment or plant.

	Percent
<b>Yes</b>	23.8
<b>No</b>	52.9
<b>Climate change is not part of investment consideration</b>	23.3

### 3. Information on Reducing Greenhouse Gas Emissions

- Do you have sufficient information to help you determine how to reduce your greenhouse gas emissions and the best way for your business to be prepared?

	Percent
<b>Yes</b>	39.9
<b>No</b>	60.1