



AUSTRALIAN CHAMBER OF
COMMERCE AND INDUSTRY

MEDIA RELEASE

Wednesday 14 October 2009

BROADER CONSIDERATION OF CPRS DESIGN NEEDED

Statement by Mr Peter Anderson, Chief Executive

The Australian Chamber of Commerce and Industry (ACCI), Australia's largest and most representative business organisation, has today called on the Australian Government to amend the design and timing of the Carbon Pollution Reduction Scheme, and to broaden consideration of how industry can better access and afford reliable new technology as a means of reducing its carbon footprint on the economy.

Speaking to the annual meeting of the Plastics and Chemicals Industry Association in Melbourne, ACCI Chief Executive Peter Anderson said:

“It is clear from ACCI's recent meeting with global business leaders in Washington that while most nations are moving to reduce their carbon footprint, there are different ways being used. An ETS is only one such option. In many of our competitor nations it has not found favour and is unlikely to be applied, no matter what happens in Copenhagen in December.”

“Ultimately the solution to the transition is technology. Government should not tax industry to compel change to methods of production unless it can assure industry that the preconditions for change exist - that is, reliable technology exists to substitute for existing means of production, and that industry is in good enough shape (including access to capital finance) to afford that technology. While the CPRS has some in-built flexibility to deal with these matters, the impact on the competitiveness of Australian industry remains an overriding concern.”

ACCI called for the release by Treasury of costing of the alternative cap and trade proposal by Frontier Economics, so that small and medium businesses can assess the viability of a proposal that could minimise higher electricity and energy costs.

Mr. Anderson also called for a new round of microeconomic and regulatory reform, pointing to the dividend of past reforms and current policy now at work in cushioning the economy from the worst impacts of the global economic downturn.

“While global recessions are bad for business, there is opportunity to make a purse out of a sow's ear. As a nation and as households we have spent this year cashing in the dividend cheque of past economic and fiscal reform. We will be reckless as a nation and negligent towards our industry and our families if we don't now build that safety net back up.”

A full copy of the ACCI Speech *'Managing the Recovery'* is available on the ACCI website at: www.acci.asn.au/SpeechesMain.htm.

For further information:

Peter Anderson	Chief Executive	02 6273 2311 / 0417 264 862
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

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