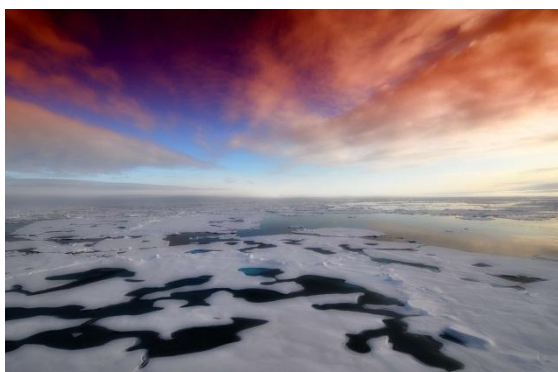


Carbon Tax



Written by Melanie Toye

Recent news articles suggest that carbon emissions have not been reduced by businesses since the carbon tax has been introduced.

The aim of the carbon tax was to create a greener future for our children and their children. With the carbon tax only introduced in July 2012, is it too early to tell if businesses will continue on as business per issue and pay the tax or if plans are underway to change to a greener functionality, resulting in a lower or zero carbon tax payout?

In the lead up to the carbon tax Climate Change Minister Greg Combet said in 2011, "Australia is one of the world's top 20 polluters and we release more pollution per person than any other country in the developed world - more than the US."

The Australian Industry Group (AIG) recently submitted a report on carbon tax a year from now and the impact on businesses.

The key points concluded:

Out of 400, 70% of businesses surveyed had not reduced their carbon intensity in response to the carbon tax since its introduction in July 2012. This is related to businesses who had already adopted energy efficiency measures, difficulties in accessing funds for new carbon reduction measures in their businesses and some businesses were low energy users so reducing energy intensity was not a high priority.

On the other side of the spectrum, from the 30% of businesses who were surveyed to be able to reduce their carbon intensity resulted in, nearly 77% utilising more energy efficient practices, 38% had transformed their products or services to be more energy efficient and 20% had invested in more energy efficient equipment.

AIG also reported that across the businesses, only 6% of carbon costs were estimated to be passed on to customers.

There has been some speculation that Kevin Rudd may soon abolish the carbon tax, however only time will tell. At this stage, businesses will need to continue to pay the tax as usual.

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