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The Hon J. E. Gillard MP Prime Minister of Australia PO BOX 6022 Parliament House CANBERRA ACT 2066

Dear Prime Minister,

With the commencement of the Australian Government's Clean Energy Legislation (CEL) and Carbon Pricing Scheme fast approaching, CCIQ wishes to highlight the critical lack of information and support being provided to small and medium businesses across Queensland and the significant impact this is having on business confidence and the economy.

Being the peak business group in Queensland with a large and broad membership across all regions and industry sectors we are seeing firsthand how little the general business community knows about the operation of the carbon pricing scheme. CCIQ are responding to enquiries on almost a daily basis from business owners which reflects poorly on the marketing and communication activities of the Australian Government.

As an organisation, CCIQ believes that the implementation of any significant economic reform must be accompanied by clear factual information about how the reform will operate and all the possible risks and opportunities. CCIQ believes the Australian Government has failed in this instance.

Small and medium business owners are surprisingly misinformed about how the carbon tax operates; who pays the carbon tax; emissions monitoring and reporting obligations; how price changes can and should be communicated; taxation requirements; changes to fuel tax credits; and what exemptions exist. The attached summary of questions asked by real businesses who participated in a recent CCIQ seminar clearly demonstrates the low level of awareness and understanding held by businesses across Queensland.

It is clear to CCIQ that the Australian Government's strategy of only advising those businesses directly impacted and diverting attention away from any impacts has only resulted in further fear, confusion and opposition to the carbon tax. What has effectively happened is that small and medium businesses are turning to unreliable sources, media and other businesses to fill the information void.

Information about the carbon pricing scheme and its possible impacts for business is not about inciting fear and massing public objection to the scheme, it is about ensuring that businesses have the information and tools to help them manage business risks and incorporate the implications of the new low carbon economy into their business planning and growth strategies. Even without direct and indirect impacts, it is reasonable to expect that smart business owners want to understand the broad economic conditions and policy environment in which they do business and invest.

Given the nature of the Carbon Tax and the lack of quality, simple and accessible information for small and medium business, CCIQ urges the Australian Government to urgently improve the marketing activities and provision of information targeted specifically to small and medium businesses not directly impacted by the CEL.

CCIQ has already provided businesses with a Business Guide (refer enclosed), a number of simplified factsheets and hosted a Carbon Tax webinar (available at <a href="www.cciq.com.au/carbontax">www.cciq.com.au/carbontax</a>) and we further avail ourselves to helping the Australian Government provide any further information to the small and medium business community. If you wish to discuss any of the issues raised in this letter please contact me on (07) 3842 2279.

**Yours Sincerely** 

**Nick Behrens** 

General Manager - Advocacy

**Enc. Summary of Business Questions**