

MEDIA RELEASE



The Hon **David Hawker** MP
Federal Member for Wannon



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RUDD'S ETS WILL COST JOBS AND THREATEN LOCAL BUSINESSES

New independent research has revealed the Rudd Government's proposed Emission Trading Scheme will cost jobs and threaten the viability of many small and medium enterprises in Western Victoria, Federal Member for Wannon David Hawker said today.

The Australian Chamber and Commerce and Industry (ACCI) has released economic research which highlights that Rudd Labor's ETS will drive up costs and erode a firm's profitability by up to 7 per cent.

"This latest research is cause for alarm across Western Victoria," Mr Hawker said.

"The Rudd Government has developed an ETS which is a tax on business and will cost jobs. By simply handing out concessions to emission-intensive, trade-exposed industries, the Government has completely ignored the impact its ETS will have on other trade-orientated sectors within the economy.

"For example, in Western Victoria we have many food processing and manufacturing firms which are vital to our local economy. These businesses employ hundreds of people and their jobs will be at risk.

"Rural and regional communities will be hardest hit because of the uncertainty over the Rudd Government's intention to increase the tax on fuel, which will drive up freight costs. Freight is a significant cost component for regional businesses.

"In the end this will mean higher prices for consumers and make it more difficult for regional businesses to compete in the open market. "

Mr Hawker said the Rudd Government had failed to consider genuine alternatives to their proposed Emissions Trading Scheme.

"Instead of taxing business and sending jobs offshore the Government should be looking at providing incentives for industry to cut their carbon footprint.

"Rewarding businesses which reduce their emissions and energy consumption will attract additional investment in alternative energy sources and new technologies.

"Western Victoria is already a major source of renewable energy and there is potential for this industry to grow even further. We should focus on ways our region can contribute to improved environmental outcomes, rather than taxing small business and consumers.

"I'm a strong supporter of practical environmental initiatives but I fear that this ETS legislation will cost jobs, disadvantage regional areas and have little impact on the environment," Mr Hawker said.

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