

26 June 2014

Glenn Lazarus Senator-elect GPO Box 3138 Brisbane QLD 4001 via admin@PalmerUnited.com

Dear Mr Lazarus,

On behalf of the Queensland business community, the Chamber of Commerce and Industry Queensland (CCIQ) writes to you to express our strong support for the Clean Energy Legislation (Carbon Tax Repeal) Bill 2013 [No.2] and associated Bills.

The Queensland business community acknowledges that it has a responsibility to minimise the impact that its activities have on the environment. It is also aware that it needs to work co-operatively with all levels of government and the wider community to address important environmental issues such as climate change.

However, overwhelmingly the majority of Queensland businesses do not support the Carbon Pricing Mechanism (CPM), especially in the absence of international agreement and commensurate action to address climate change.

Queensland experienced the greatest impact from the introduction of a carbon price. Key industries were heavily impacted by the CPM through higher energy prices and transportation costs which are compounded as a result of Queensland's decentralised economy and large geographical area.

Results from previous CCIQ research (attached) demonstrate that the impact of a CPM ranges between having a moderate to critical impact on business in the areas of profitability, employment and investment.

In summary key points CCIQ wishes to highlight include:

- Significant negative impact that a CPM has had on small and medium sized Queensland businesses;
- Limited to no support by Queensland businesses for a CPM;
- Minimal commensurate international action on climate change and resultant loss of Australia's international competitiveness from the CPM;
- Small and medium sized businesses were overlooked in compensation arrangements; and
- Queensland businesses believe that direct assistance to address climate change that ensures
 economic competitiveness is the best policy.

In the interests of protecting those businesses who are the foundation of the Queensland economy, Australia's approach to emissions reduction must be based on innovation and support for our industries and communities to adapt to low emissions technologies and processes in a way that maintains productivity and economic growth.

Accordingly CCIQ seeks your commitment to support the Clean Energy Legislation (Carbon Tax Repeal) Bills.

Yours sincerely

Nick Behrens

General Manager - Advocacy