



# IRIS Economic Report

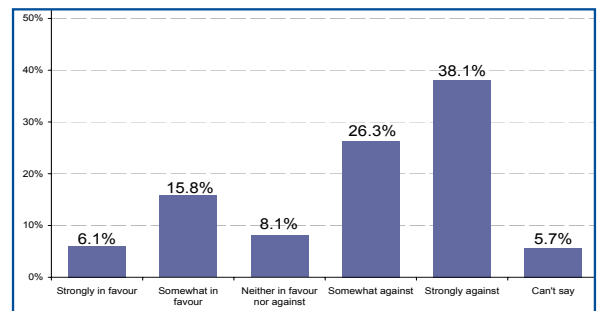
## Carbon Tax 2011

### What are the opinions of Illawarra businesses regarding the carbon tax?

As part of the June quarter Illawarra Business Survey, IRIS Research asked almost 300 local businesses about their feelings towards the carbon tax. The survey was conducted Friday 27th May - Friday 17th June 2011, using a self completion mail out questionnaire. The results show that close to two thirds of Illawarra businesses are opposed to the proposed carbon tax and over two thirds believe the proposed carbon tax will have a negative impact on their business.

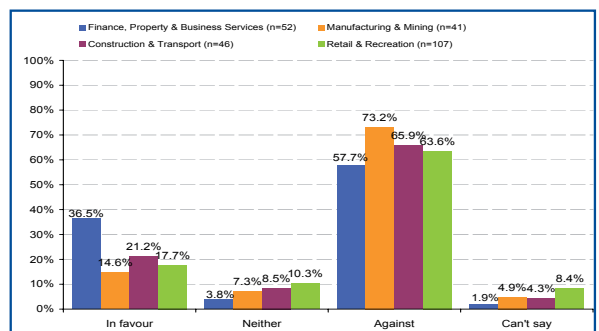
### Thinking about the Federal government's plan to put a price on carbon. Based on what you may know about it, are you personally in favour or against the Federal government's current proposal to put a price on carbon?

The majority of businesses, close to two thirds (64.4%) are against the carbon tax, with almost two fifths (38.1%) strongly opposed. Considering that the details of the carbon tax, such as the price of carbon have not yet been determined, a small 5.7% of business owners or managers are undecided. A further 8.1% are neither in favour nor against the carbon tax. Meanwhile, one fifth of those surveyed support the plan to put a price on carbon.



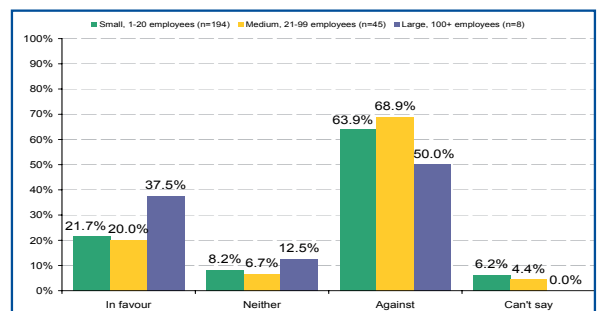
### Results by Industry

36.5% of Finance, Property & Business Services firms are in favour of the proposed carbon tax, while 57.7% are opposed. Close to three quarters (73.2%) of Manufacturing & Mining firms are against the proposal. Retail & Recreation businesses are the most unsure about the carbon tax, with 8.4% unable to say whether they were for or against, and one in ten (10.3%) saying that they are neither for nor against. One in five (21.1%) of Construction & Transport firms indicated support for the tax, while 65.9% are against.



### Results by Organisation Size

37.5% of large businesses surveyed are supportive of the proposal to put a price on carbon, while half (50.0%) are opposed. One in eight large businesses (12.5%) are neither for nor against the carbon tax. Around two thirds of small (63.9%) and medium sized (68.9%) Illawarra businesses are against the proposed carbon tax and approximately one in five (21.7% and 20.0%) are in favour of its introduction. Small businesses are slightly more indecisive than medium sized businesses with 8.2% neither for nor against and 6.2% unable to provide an answer.



Contact Simon Pomfret for further information on (02) 4285 4446



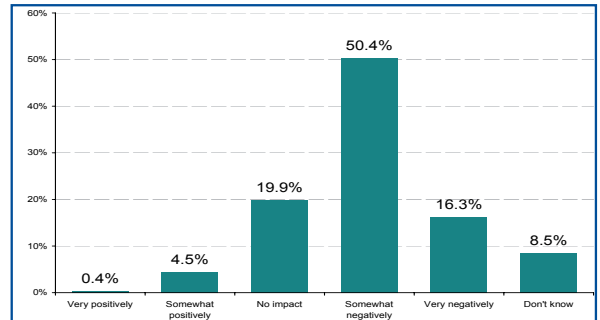


# IRIS Economic Report

## Carbon Tax 2011

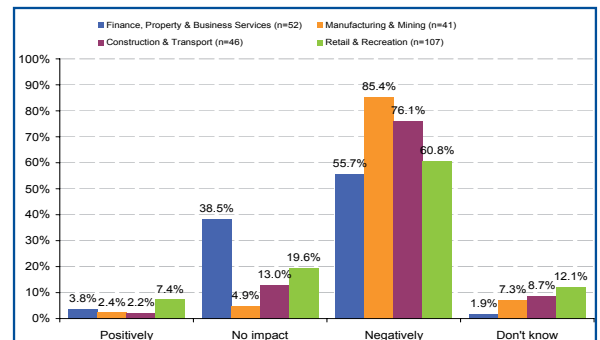
### How do you think the proposed carbon tax will impact your business?

Over two thirds of local businesses (66.7%) believe that the carbon tax will have a negative impact on their business, with half (50.4%) stating they will be affected “somewhat negatively”. One fifth (19.9%) feel that the tax will have no impact and just one in twenty businesses (4.9%) feel they will be positively impacted. Again, despite the lack of details surrounding the carbon tax proposal, just 8.5% were unsure about the impact it will have.



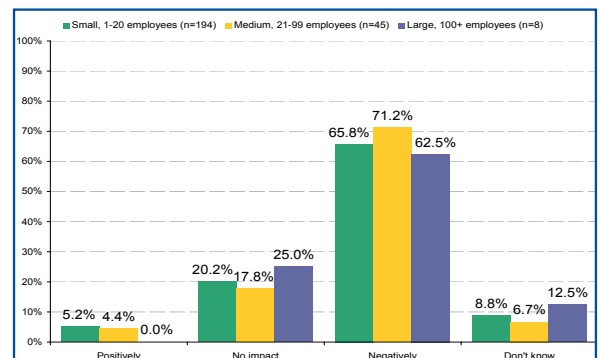
### Results by Industry

85.4% of businesses in the Mining & Manufacturing sector believe they will experience a negative impact from the carbon tax. Three quarters of Construction & Transport firms (76.1%) expect to experience a negative impact. Almost two in five Finance, Property & Business Services firms (38.5%) feel that the impact on their business will be minimal. The Retail & Recreation industry feels the most positive with 7.4% of these businesses expecting to be positively impacted by the tax, however three in five (60.8%) feel that the carbon tax will bring a negative impact.



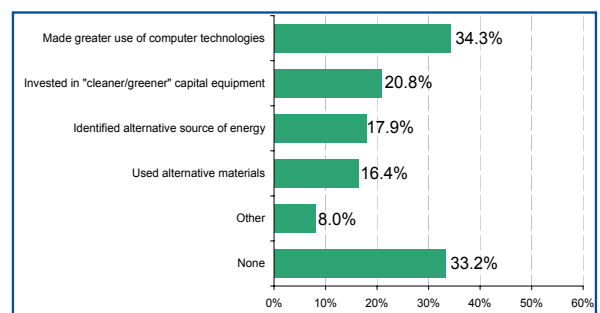
### Results by Organisation Size

65.8% of small businesses feel that the proposed carbon tax will have a negative impact on their business, while 20.2% expect to see no impact and 5.2% feel they will be positively impacted. When looking at medium sized businesses, 71.2% expect the impact of the tax will be negative, 17.8% expect no impact and 4.4% believe that the carbon tax will bring a positive impact to their business. No large businesses are expecting a positive impact from the tax, while a quarter (25.0%) believe there will be no impact and 62.5% anticipate a negative impact.



### Have you undertaken any of the following to reduce your carbon footprint?

Two in three local businesses (66.8%) have implemented measures to reduce their carbon emissions. Of these, over one third (34.3%) have made greater use of computer technologies, one fifth have invested in “cleaner” or “greener” capital equipment and 17.9% have identified an alternative source of energy. 8.0% of surveyed businesses have tried something else. One third (33.2%) of Illawarra businesses stated that they have not done anything to try to lessen their carbon footprint.



You can download a copy of this report or the full June edition of the *Illawarra Business Survey* report from the IRIS Research website [www.iris.org.au](http://www.iris.org.au).

Contact Simon Pomfret for further information on (02) 4285 4446

