Media Release

A TAX ON THE TERRITORY

Terry Mills MLA
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Opposition Leader, Terry Mills, says Julia Gillard’s carbon tax is a nasty slug on the hip-pockets of Territorians.

“Under the carbon tax, the average price of food will increase by 80 cents a week, electricity will increase by $3.30 a week and the Government estimates the hit on average households will be $9.90 a week,” Mr Mills said.

“That’s a potential tax increase in excess of $500 a year.

“The Territory is already the most expensive capital city in the country and the carbon tax will only increase pressures on household budgets.

“PowerWater is one of the nation’s 500 top emitters and during Estimates the CEO admitted the cost of the tax would have to be passed onto customers.

“Many Territory wage-earners will not qualify for compensation and tax exemptions and will have to pay the tax.

“Chief Minister Paul Henderson said he would oppose the carbon tax if it meant higher costs for Territorians.

“He must honour that commitment when he fronts the media tomorrow.”

Shadow Environment Minister, Peter Chandler, said the compensation package being offered up by the Commonwealth is smoke and mirrors.

“While the Government has lifted the tax free threshold, it has simultaneously increased the bottom two tax rates from 15 to 19 cents and 30 to 32.5 cents in the dollar,” Mr Chandler said.

“Julia Gillard’s assertion that the carbon tax is a tax on big polluters ignores the fact that ultimately workers and families will have to pay.

“The tax will hit key Territory industries including tourism through an increase in the domestic aviation fuel excise.

“By way of example Alcan at Gove could face an additional annual operating bill of between $40 and $60 million.”
"The carbon tax will whack the general mining sector, which contributes nearly 30% to the Territory’s Gross State Product, by reducing its international competitiveness. The 6 cents a litre diesel fuel tax serves simply to increase costs.

"The tax also threatens to punch a hole in the LNG industry, which is still developing in the Northern Territory and represents the best chance to drive our economy in the decades ahead.

"Nowhere in today’s announcement did I see how the carbon tax would stop the salt-water inundation of Kakadu National Park that Julia Gillard flagged last month.

"In fact, the increase in generation costs will damage the prospects of businesses setting up in Indigenous communities and the impact on mining could hit royalties.

"Instead of simply bowing to the will of Federal Labor, Paul Henderson should reflect the wishes of the Territory Parliament and push for a 50 year delay in the implementation of the carbon tax in the Territory."

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