

## The carbon tax: what's the real story?

### ***Why do we need a carbon price?***

A carbon price encourages businesses to look for ways to reduce their carbon pollution and encourages the development of clean energy technologies.

### ***Why do we need to reduce carbon pollution?***

Carbon pollution is the main cause of climate change, which is threatening our environment, our food production and our way of life.

### ***Will I have to pay the carbon price?***

No, it's not a tax on households or individuals – around 500 large polluters will be required to pay for their pollution. These 500 companies account for more than 60% of our carbon pollution.

### ***Will people lose their jobs because of the carbon price?***

The Government is using around 40 per cent of the funds raised by the carbon price to support jobs and industry competitiveness. The remainder of the funds will be used to assist households and tackling climate change.

### ***How much assistance will I get?***

If an individual earns \$80,000 or less they will receive on average \$10.10 a week, which more than covers the average cost of living increase of \$9.90 per week. If you want to know exactly how much you will receive go to [www.cleanenergyfuture.gov.au](http://www.cleanenergyfuture.gov.au) and use the calculator.

### ***We have a mortgage and two kids at school, how will the carbon price affect us?***

Millions of families will get financial assistance as tax cuts, higher Family Tax Benefits and increases in pensions and allowances. Payment assistance will start before the carbon price with a lump sum payment in May-June 2012, and then through an ongoing increase in fortnightly payments from 1 July 2013.

### ***How will the food processing (including poultry) industry be affected by the carbon price?***

The Government will provide grants to help the food processing industry invest in energy efficient equipment and low emission technologies, processes and products.

The government has allocated \$150 million over six years to assist food and beverage processors. This money will help them purchase new equipment that will help reduce energy and therefore costs, which will help protect profit and jobs.

### ***How will metal forging and foundry businesses be affected by the carbon price?***

The government has allocated \$50 million over 6 years to assist the metal forging and foundry industry. This money will help them purchase new equipment that will help reduce energy and therefore costs, which will help protect profit and jobs.

### ***How will the oil and gas industry be affected?***

Petrol will be excluded from the carbon tax and the gas industry will benefit from a price on pollution, as it becomes the most cost efficient way of generating base load power in the medium to short term.

### ***What is the Government's new long-term greenhouse gas reduction target?***

The Government's long-term target for carbon pollution reduction has been raised from 60 per cent to 80 per cent below 2000 levels by 2050.