

This is either a bribe or the fairest way to clean air

SID Maher says Julia Gillard has been "challenged" by Ross Garnaut's proposal to effect large tax cuts to compensate against costs imposed by the mooted carbon price.

A more accurate assessment might be that Garnaut is proposing a bribe of tax cuts so that Gillard can "sell" the carbon price scheme.

If the government imposes a tax on carbon emissions and then uses the revenue to compensate households and businesses for the costs, what reduction in emissions is likely to occur? [No estimate has been revealed by Canberra but one suspects it would be quite small. The reality is that under Gillard Australians face the prospect of a tax to fund tax relief with little reduction in carbon emissions.] (Square brackets omitted by Ed)

Des Moore, Director, Institute for Private Enterprise, South Yarra, Vic

Ross Garnaut for PM. He makes an unanswerable case for emissions trading, he shows how it can be combined with sensible reforms to the tax system to protect those who need protection, and he presents it all in a cogent, well-argued package.

He exposes with devastating accuracy the unjustified and unjustifiable scaremongering of the climate change deniers.

This is what smart and skilful politicians are supposed to do. Pity we don't have any in the major parties.

Doug Pollard, Eltham North, Vic

Ross Garnaut believes he can win this argument for the Gillard government by dangling the bait of tax cuts.

He is trading tax reform for his pet tax on carbon. Garnaut is just an old-fashioned social engineer using taxation to engineer us all into his version of Utopia, ignoring the truth that any carbon tax imposed on polluters will be passed down until it finally hits the consumer in full in raised prices.

Does anyone think that the cost of paying road tolls and other government fees and charges is not wrapped up in the price of every loaf of bread sold in this country?

Any carbon tax will lead to every business in Australia increasing their prices to recover the tax and the fees associated with collecting, processing and accounting for it.

In the example of the GST, much of this latter cost was offset by the culling of other taxes and fees. With a carbon tax there are no offsets.

If any action is taken to stop business heaping this tax right back on to the voters and the poor, then the dole lines will increase very dramatically.

John Fahey, Lane Cove, NSW

Ross Garnaut has shown a refreshing honesty as to the primary purpose of the proposed tax on carbon dioxide. It is to implement a massive redistribution of wealth, about \$6 billion initially, from middle Australia to Labor's electoral heartland. How taking money off Peter to pay Paul can have any effect on the earth's climate beggars belief .

On the other hand, it may help Labor's electoral chances.

Thanks for letting the cat out of the bag Professor Garnaut. At least we can see this for what it is -- just another tax.

John McLeod, Sunshine Coast, Qld