

MEDIA RELEASE

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Prime Minister Julia Gillard has met this morning with the Executive members of the Townsville Chamber of Commerce.

The meeting with the PM follows a visit from shadow Treasurer Joe Hockey MP last week, when he addressed the Executive on the LNP's view of the carbon tax.

"As an a-political organisation, it is important to get the views of both major federal parties on the question of carbon tax" said John Carey, President of the Chamber. "Since the PM was so generous with her time, we had an opportunity to discuss other issues affecting this region."

The PM answered the Chamber's questions on taxes, clean energy, regionalisation, Fair Work Act, insurance, Defence, and other aspects directly affecting the confidence of local businesses, big and small.

The Chamber's key message to the PM was for her government to pursue an active regionalisation strategy by continuing efforts in decentralising decision making bodies, creating incentives for people and industries to permanently move to regions, and to do more to counteract the current climate of uncertainty that hinders business and investments.

The PM explained her government's \$13 billion investment in clean energy projects through the Clean Energy Finance Corporation and the Australian Renewable Energy Agency (ARENA) following comments by the Chamber to consider the possibility of locating both agencies in Townsville.

The Chamber pointed out that small to medium enterprises would not benefit from her proposed tax reform, arguing that most local small businesses are already doing it tough and would not receive compensation to cover increased costs. The Chamber added that changes to the Fair Work Act and superannuation contribution together with challenges in obtaining competitively priced insurance cover post-Yasi added to the burden carried by small businesses. The Prime Minister acknowledged that thus far, the public debate has not focused enough on SME's.

Discussion also centered on the current Australian Defence Force (ADF) Posture Review, aimed at assessing whether ADF is correctly positioned geographically. Following those discussions, the Chamber remains confident that the future of Townsville locally based forces will not be adversely affected by this review.

"Building up the momentum toward regionalisation is important to Chamber members and I think the PM now understands what that means for Townsville" said Mr Carey.

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