



Media Release

Senator Mathias Cormann
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ANOTHER \$10 BILLION CARBON TAX BUDGET BLACK HOLE

In Senate Estimates today it has been revealed that the \$10 billion for the Clean Energy Finance Corporation is likely to blow a further hole in Labor's budget bottom line.

Department of Finance officials have exposed Labor's dodgy plan to treat this money off budget, conceding that it is likely to be factored into the budget and therefore hit the bottom line.

Asked to confirm the budgetary treatment of the Clean Energy Finance Corporation, Deputy Secretary of the Finance Department Stein Helgeby told the Committee that: "At this stage we would think it would be on Budget."

Today's revelation also casts further serious doubts on Labor's iron-clad promise to return the budget to surplus in 2012-13.

"This would mean that there is another \$10 billion black hole in Labor's budget courtesy of its carbon tax package," Shadow Assistant Treasurer Mathias Cormann said.

"So not only will this be another \$10 billion in borrowed money, but it would hit the budget bottom line.

"This comes on top of the \$4.3 billion shortfall in carbon tax revenue over the forward estimates already disclosed by the government.

"The Coalition has always said that Labor's budget is a house of cards and this is further evidence.

"Officials from the Finance Department all but conceded that the Clean Energy Finance Corporation was policy on the run with 'thorny issues' about how it will operate still to be worked out.

"A further deterioration in the budget bottom line caused by this slush fund demanded by the Greens is yet another price Julia Gillard is prepared to pay to cling on to power," Senator Cormann said.

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