



Commenting on today's report by the Environmental Audit Committee on environmental taxation, Steve Radley, Director of Policy at EEF, the manufacturers' organisation, said:

"We commend the Committee for shining a light on the need for major reform of environmental taxation. There needs to be greater clarity over the objectives of individual taxes, how they fit together, their cumulative costs and how the revenues they raise are being used to support the transition to a low-carbon economy. There is a widespread perception that many green taxes are used as revenue raising with little or no environmental benefit.

"In particular, the Carbon Price Floor sticks out as a unilateral tax on power generation layered on top of a host of existing carbon pricing measures that's unlikely to deliver any net emission reductions at a European level.

"Government must heed the lessons of this report and undertake a fundamental review of its whole approach to environmental taxation and clear up what remains a confused and cluttered landscape. This must begin with a simplified approach starting in next years' Budget."