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This Friday, the Greens will take control of the balance of power in the Senate

Article by James Pearson CCI, West Australian column

This Friday, the Greens will take control of the balance of power in the Senate.

This takes us further into the unfamiliar territory that we have been exploring since the federal election last August produced a hung parliament.

Federal politicians are spending more time debating new taxes and redistributing wealth than they are about encouraging smart, hard working Australians to take a risk, reap the rewards for their effort and create more jobs in the process.

Many of the employers and their workers that I speak to are worried that with Labor depending on the Greens more than ever, this will only get worse.

The WA business community respects both the need to protect our environment and, at the same time, build our economy and create wealth and more jobs. The two aren't mutually exclusive.

But businesses are condemned as "big polluters", executives are told that they are not allowed to earn above a certain salary no matter the value of their work and unions are given the green light to make increased pay demands without any accompanying increase in productivity.

These are Greens policies. They seem to be based on the view that Australia is an economic island, isolated from the rest of the world.

The economies of the US, Europe and Japan, which are vital markets and sources of investment for Australia, are not out of the woods.

There are much brighter prospects for the carbon-based economies of countries in Asia, including China, Korea and India, which are becoming more important to us as export markets and investors.

Yet in Australia we have a proposed carbon tax that will put lead in our saddlebags when our key competitors are free to ride, industrial relations changes that are handicapping small and large employers who need flexibility to compete and few signs that politicians are listening to the needs of small businesses, despite low consumer confidence and increasing costs of keeping their doors open for business.

Tax reform seemed promising over a year ago when the Henry report produced a wide range of ideas to make our tax system more efficient. Now it has boiled down to a carbon tax and a mining tax, both of which strike at our international competitiveness.

Canberra should remember that government depends for its income overwhelmingly on the hard work of businessmen and women and the people that they employ. That's where taxes come from. That's what helps pay for broadband, protection for the oceans and the bush and reconstruction following natural disasters.

Spending other people's money is easy. Our federal politicians need to convince business that they also know how to encourage wealth creation.