

The sunday times).
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chaos

[Business](#), [Accounting](#)



The accounting profession has always played a crucial role to the change and the growth of businesses. The issue of accounting regarding to climate change and global warming is that energy, tax, carbon emission has significantly increased throughout the years. The Australian Government has been trying to reduce the emission which caused problems to the accounting profession as they must identify strategies in terms of budgeting, financial planning and prediction to help businesses adapt to the change of regulations. In 2011 Labour party's Prime Minister – Julia Gillard was the first person who implemented tax on carbon under the Clean Energy Act 2011. The cost of carbon from 2012 to 2013 was \$23.00 per tonne, however in 2013 to 2014 this increased to \$24.15 per tonne.

“It's modelling suggested the \$23-a-tonne carbon tax would increase electricity bills Australia-wide by about \$3.30 a week on average” (PerthNow. 2012).

Carbon Tax to push up power bills by 9.1c. (The Sunday Times). This has caused chaos to the accounting industry as now it's harder to budget the expenses and secure increased capital to grow businesses.

As Tony Abbott became the next leader of Liberal party in 2009, he has called on a secret meeting of coalition MPs. The meeting went successfully, and the Coalition withdrawn their support towards carbon charges. Carbon Pricing Scheme was made to target large businesses and industrial facilities which produced a large carbon footprint, ever increasing each year, furthermore in 2014 as Tony Abbott became the next Prime minister, the repeal was effective from 1 July 2014, he believed all tax payers should pay to the Carbon

Emission Fund. Accountants who understand the latest climate change and be able to forecast its outcome will be in the spotlight of a high demand as they are useful in giving advice to businesses. Due to this opportunity, some big accounting firm such as KPMG and PWC, has now advertised to the public that climate change assurance research is now part of their services.

On the other note, the biggest risk businesses will be facing is inaccurate understanding of information in a financial perspective about climate change and global warming could potentially cause great failures. A detailed and thorough report on climate change will evaluate the risk and the opportunities enable businesses to act in the most sustainable, structured and strategic ways. In the wake of climate change and global warming, accounting will always be needed as the profession has a huge impact on the development of businesses. In this chaos, Government regulation constantly changing, so finding the right balance will require a lot of specific calculation from an accountant point of view is very important as it would lead a business to long-term success.