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**TRIOLI:** The opposition says the sale could raise up to \$4.5 billion and it'd be used to pay off government debt. Dr Craig Emerson is the minister for competition policy and consumer affairs and he joins us now from Brisbane. Craig Emerson Good morning, thanks for joining us.

**EMERSON:** My pleasure, Virginia

**TRIOLI:** What's the argument for keeping something like Medibank Private in public hands?

**EMERSON:** Medibank Private is proving and has proved effective in keeping health insurance premium increases down. Obviously health insurance premiums do rise over time but Medibank private has been a brake on those health insurance premium rises in the private sector. So, the sale of Medibank Private is just a recipe for higher private health insurance premiums. That's one of the reasons that the coalition would do it, because I well remember in the Howard Government, they were just rubber stamping premium increases that the private health insurers applied for so we'd be experiencing a return to that if the coalition were elected and if Medibank Private were privatised.

**TRIOLI:** But Medibank Private as you mentioned puts up its premiums and it puts them up as regularly as the other insurers. It's not that it lags behind in any way?

**EMERSON:** Its premium increases have been lower than the others. It's been an innovative influence within the whole sector, with new attempts and apparently successful ones, at innovating in the health insurance area. But their premium increases on average have been lower. That's helped out a brake on the private health insurance premiums because they know that they've got a competitor in Medibank Private. Now, if were privatised that brake handbrake is released and then they can go for their lives for higher private health insurance premiums. That's what the coalition government did when it was in government. It just rubber stamped those premium increases and that's what we'll be returning to. I don't think the Australian people would say the funny side of that.

**TRIOLI:** No and I wonder though what the Australian people will make of this discussion that the coalition has launched, because I guess the coalition now gets to attack you on two significant fronts. One is that it's now creating an impression it's actually doing something on health policy and impression being that not enough has been done by your government in the last couple of years and also that it has to do something about Labor debt there is that phrase that phrase that's a millstone around the neck of any Labor opposition and now Labor Government. How do you counter act that?

**EMERSON:** Well, the impression that they are giving on health policy is that they would be again the party of higher health insurance premiums so the Australian people have a clear choice. You have a Labor Government that would not privatise Medibank Private, a coalition government that would. The private health insurance sector I'm sure would welcome the privatisation of Medibank Private because it has been acting as a restraint, a handbrake, on increases in private health insurance premiums so the Australian people will make up their minds. There's a debate going now. I reckon the Australian people will side with the argument that there should be some sort of restraint on private health insurance premium increases. Tony Abbott, who once said in terms of a Medicare Safety Net that it was an ironclad rolled gold promise that they wouldn't change it, they changed it straight after the election. So the Australian people will make their judgments about those things.

**TRIOLI:** Craig Emerson, How was that staggering amount of money returned to the commercial TV broadcasters for their licence fees – that refund on the fees, how was that not a bribe?

**EMERSON:** Well my understand something that it was in relation to local content. I haven't seen the specific details of the arrangement put in place –

**TRIOLI:** So, sorry to jump in there but just to clarify, so it was primarily done as you understand it in order to shore up local content.

**EMERSON:** That's my understanding, yes.

**TRIOLI:** That was the primary reason?

**EMERSON:** Well that's my understanding and that's what I'm conveying to you that that was the motivation as to secure local content in Australian television production and I think that's a good thing and I'm sure you do to Virginia.

**TRIOLI:** Well I just don't know if it is the reason it's initially been given. It seems to me there's been a number of reasons over the last few days have been given to explain that sudden and unexpected rebate to the commercial television station. I'm curious to hear it's suddenly primarily about local content.

**EMERSON:** Well that's my understanding and that's the answer that I'm giving to you. Tony Abbott says it looks like or smells like a bribe. I think that's pretty outrageous actually. But we should expect that sort of thing from Tony Abbott. He's going to adopt a pretty hard line approach to this election. He will say or do anything in order to try to damage people, win votes. That's OK. I know Tony Abbott, that's the sort of approach he takes to politics but the issue of trust will be an important one here. An important one here. And I know in the area of WorkChoices, There's not one word, not one word - I was the shadow Industrial Relations Minister before the 2004 election, not one word about WorkChoices was uttered. And as soon as the coalition won that election they implemented the plan they were working on which is WorkChoices. We're going to get that again, Virginia. I see them in the paper today saying we'll only reduce penalty rates not get rid of them. But we will remove unfair dismissal protections for nearly 2 million Australian workers, we will return to Australian workplace agreements under another name, individual contracts. They are the heart of WorkChoices. It is coming back.

**TRIOLI:** Well No look, we have to be fair here and he says WorkChoices itself is not coming back, but yes as you say a number of amendments they would make clearly to industrial relations laws if they won. Do you believe the  
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**EMERSON:** They're not peripheral amendments. These are the heart. These changes they're talking about are the heart of WorkChoices and it's coming back - if they get elected.

**TRIOLI:** Well we can argue about whether they're the heart or not. Do you believe the government is vulnerable on industrial relations issues at the moment?

**EMERSON:** I think we are in a very strong position. The Australian people voted for Kevin Rudd and our plan to introduce a fairer more balanced industrial relations system, that's what we've done. Tony Abbott, Julie Bishop, the hard right wing ideologues of the Liberal Party, and remember they are in the ascendancy as a result of Tony Abbott's election victory in the party room. They are in the Ascendancy. Eric Abetz, Kevin Andrews is back on the frontbench, reward for his efforts in bringing in WorkChoices. Just look at the line-up. They are all champions of WorkChoices. They were before and even after the election. Tony Abbott sang 'Oh this government is unwinding the

great reform of the Howard government' and he is referring to Workchoices and then says 'oh the name Workchoices is dead'. Well gee that's reassuring isn't it. The name is dead but it's all coming back. The heart of WorkChoices is beating on the coalition frontbenchers. It will come back if they're elected.

**TRIOLI:** Craig Emerson, Good to talk to you, thanks so much.

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