



THE HON DR CRAIG EMERSON MP
MINISTER FOR TRADE

Transcript
2cc with Mark Parton

9 March 2011

E&OE

Subjects: Pauline Hanson, carbon pricing, opinion polls.

MARK PARTON: The Federal Trade Minister Dr Craig Emerson joins us around this time on a Wednesday morning and he's on the line right now. G'day Craig.

CRAIG EMERSON: Good morning, Mark, from a beautiful sparkling day in sunny Brisbane.

PARTON: Well, Craig, I wanted to start a little left of field, or should I say right of field. What are your thoughts on Pauline Hanson putting her hand up and having another crack at it?

EMERSON: Ah, our great democracy! She's well and truly entitled to put her hand up. I would point out, though, that, and I may be wrong about this - it wouldn't be the first time I was wrong - but the only time she was ever elected was when the word 'Liberal' was beside her name on a how-to-vote card, which was back in 1996. But to be fair to the Liberals, they had dis-endorsed her, but it was too late to change the ballot papers.

PARTON: Yeah, from memory they dis-endorsed her like two days before the polls I think.

EMERSON: Yeah, it might have been a little longer, but once those ballot papers are printed it's... there's no time to get them done again. She's run many times since. I'm sure I'll get a phone call from One Nation if I'm wrong about this or something else,

but I think she hasn't been elected to the Parliament as a One Nation candidate.

PARTON: She's having a go, she's having a go.

EMERSON: She's having a crack, she's having a crack.

PARTON: And we all can, we all can.

EMERSON: Adds a little bit more colour and movement to the NSW election.

PARTON: Now, we've got a bunch of people coming together in this town on the 23rd of this month for this "no carbon tax" rally. I know it coincides with a sitting week and I just wanted to ask if you're going to venture down and be a part of that.

EMERSON: Ah, no, I'm a member of the "pro-putting a price on carbon" group, that's what I am; it doesn't sound quite so elegant does it? But that's what I'm absolutely committed to.

PARTON: Well I know that your leader is under enormous pressure from a number of rather nervous MPs to basically provide some detail to finalise household compensation measures, and to lay more of the detail on the table 'cause it hasn't really been forthcoming at this stage, has it?

EMERSON: Let me just say two things about that, one: Julia Gillard is showing the courage that John Howard lacked. John Howard had 10 years to bring in an emissions trading scheme; he was one of these wonderful "gonnas". He was gonna do it, but he did at least to his credit outline an emissions trading scheme in the lead-up to the 2007 election. It didn't have this sort of detail in it, in terms of pricing and other aspects of the regime. And it is a staged process, Mark, so you announce the basic structure and then you start filling in the detail that will be coming in plenty of time.

PARTON: That process doesn't seem to be working for the wider population if Newspoll is anything to go by. Gee, they weren't flash figures, were they?

EMERSON: As Bob Hawke once said, 'you've gotta get your time frames right'; that is, in relation to this particular issue the detail comes in the period ahead of us. You know, you can't do everything on day one and over time we will continue to work with the community to build a consensus on this. And I have to say, Mark, that the most reckless thing that could possibly be done is that once this is introduced that you yank it out of there again. Do you know that the Electricity Supply

Association, or an organisation like it, has estimated that we will require \$120 billion worth of investment in new generation capacity over the next few years? That's an enormous amount of money and the uncertainty that would be created by taking out the carbon price and replacing it with Tony Abbott's direct action plan, which is totally ineffective, would be devastating for this electricity supply industry.

PARTON: Look, I understand what you're saying but ...

EMERSON: I'll just finish on this. What's happened is that there's been a stalling of investment in electricity generation capacity because of the uncertainty. We're seeking to resolve the uncertainty. Tony Abbott wants to continue it.

PARTON: Okay, and I understand what you're saying in terms of, you know, if you wind this back after it's started it has the potential to be disastrous. This is obviously a massive, massive issue and you've already indicated that the Prime Minister's displayed a bit of courage here and she has. Why can't that courage translate to 'let's hold onto this for a year and a half and put it to the people and make it the biggest election issue when we go to the polls next; let's see what the people really think about it', because in fairness we did go to the last poll with your leader saying 'hey, there'll be no carbon tax, there'll be no carbon tax in...'

JULIA GILLARD

AUDIO: "There will be no carbon tax under the government I lead."

PARTON: Thanks Julia. So, so that's what she said. So if it's such an important issue and there's so much courage being displayed, let's just go to the people next time round and say 'here's the deal, this is what we're going to do, what do you think?'

EMERSON: And you know what she added to that? - and I don't know if it was on that particular tape or not but it was certainly in the newspaper reports that most of this came from. She said: "But I do not rule out an emissions trading scheme". We tried to introduce an emissions trading scheme, put a price on carbon, three times. [It was] blocked in the Senate, by the Coalition and the Greens, and the Greens. And what we said is that we would seek again to put a price on carbon. That's what we're doing: we're putting a price on carbon. Call it what you will, but the Australian people certainly knew that we would seek to put a price on carbon as we sought to do so in the last term and as we said we would do so in the 2007 election. There are no surprises that we are seeking to introduce an emissions trading scheme, early on with a fixed price, and that's being called a tax by many and that then becomes a

floating price, an emissions trading scheme putting a price on carbon. No surprises there.

PARTON: Well, we'll see how it, how it rolls out. Those figures you know, in the Newspoll, I know there's too much polling goes on and, you know, it excites us in the media and everything else - polling schmolling. And, you know, sometimes we get a bit carried away. But it must give you some grief?

EMERSON: Well, let me say this about economic reform. If Bob Hawke and Paul Keating had said we will watch the Newspoll and we won't do anything if Newspoll numbers drop, we would not have had the transformation of the Australian economy under Hawke and Keating. They have laid the foundations for 20 years of sustained economic growth, the strongest non-recessionary growth in the world, and that was because of the courage shown by Hawke and Keating and the fact that they didn't then go all shivery and worried and sweaty-palmed because there was a bad poll. They showed courage; Julia Gillard is showing courage. She's showing the courage that John Howard lacked.

PARTON: Thanks for engaging with us this morning.

EMERSON: Thanks Mark.

PARTON: Dr Craig Emerson, the Federal Trade Minister.