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Transcript
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David Speers interviews Dr Craig Emerson

E&OE

Subjects: Performance of Barnaby Joyce; the insulation scheme; school building program.

SPEERS: As we saw earlier in the show, the Treasurer Wayne Swan was quick to offer Tony Abbott some advice on what he should do with his frontbench reshuffle.

Barnaby Joyce, he says, must go from Finance. He says he's been dragging Australia's economic reputation through the mud on a daily basis.

Well, the Queensland colleague of both Wayne Swan and Barnaby Joyce, the Small Business Minister Craig Emerson joins me now in the studio.

Minister, Barnaby Joyce; you would get the sense that the Government is pretty keen for him to go. Is that purely for policy reasons or is there some fear in the Government about the effectiveness that Barnaby Joyce can...

EMERSON: No fear. Barnaby Joyce is a risk to the economy. That's the problem. He's incompetent. He'll say anything, which is a worry. But he doesn't care what he says. He's reckless in what he says.

Now, we're part of a global economy here and he is almost on a daily basis going out saying that the Australian Government debt is unsustainable, that Australian debt could mean that we're in default.

Now, these are incredibly irresponsible statements that can have an effect on the living standards of the Australian people. This is the problem. And they're wrong, they're wrong. Just yesterday he was comparing our debt with that of Greece government debt. Ours is less than one-twentieth of the size of Greece. But, for political reasons, he's trying to create some sort of international anxiety about this. It's almost as if they'd be happy that Australia fails just so long as the Liberal Party succeeds.

SPEERS: He is right to raise concerns about debt. We are seeing record levels of debt, and this is a fair line of political attack, surely?

EMERSON: No, it's not. We are - we have about the lowest net debt - net government debt of any country, any developed country in the world. We have retained our AAA rating...

SPEERS: But we started with a surplus.

EMERSON: We have retained our AAA rating. We've been through, globally, the deepest recession since the Great Depression. And, almost alone, Australia has managed to avoid recession.

Now, this is a very good outcome for the working people of Australia, for the small businesses of Australia.

And what does Barnaby Joyce want to do? Tear down our reputation. Put us back at risk of being in an economic slowdown. Irresponsibly. Why? To advance their interests as a Coalition, to advance his personal interest.

And this is the point here. Tony Abbott knows that. He won't repudiate him. And, at present, it appears that he's going to resist the pressure.

Of course Labor is arguing that, but so is Senator Ian Macdonald. Now, he's a former Howard Government minister, also a Queenslander, a Liberal, saying in a sugar-coated way, Barnaby has done quite a good job but he should be moved.

Now, this is the point. Liberals are calling for Barnaby Joyce to be removed.

SPEERS: But the point that Barnaby Joyce and his colleagues make is that the money that's been spent putting us into debt has also been spent irresponsibly.

Now, we learned today in a Senate estimates hearing there have now been 120 house fires as a result of the insulation scheme. We've also...

EMERSON: Not necessarily as a result of the insulation scheme. That's being examined.

SPEERS: Well, links to the insulation scheme.

EMERSON: Well, let's see what the processes of investigation reveal about that. But we are not denying that there are problems with the insulation scheme, obviously.

SPEERS: It's been a disaster, let's face it.

EMERSON: Well, they're your words. Our words are that, yes, there have been problems; the scheme has been terminated. There will be a new scheme in the not too distant future.

SPEERS: The other area where \$16 billion has been spent is in the - building the education revolution program. Now, today we also learned that the Hastings Public School at Port Macquarie, where an undercover area had been budgeted for \$400,000 blew out to almost a million dollars. The New South Wales has had to step in and say, no, scrap that, let's build some classrooms instead.

This has been a disaster as well.

EMERSON: That's not right. The Building the Education Revolution exercise is the biggest school modernisation program in Australia's history. Far less than one per cent of those projects have been the subject of any complaint. What we don't hear in the media and certainly would never hear from Tony Abbott and Barnaby Joyce and the others, is the success of the 99 plus per cent of those projects that have kept our small businesses, our tradies, in work. And in my own electorate, David, I'll be opening a couple of these in the coming week.

They are an enormous source of pride not only for the local tradies who have built them but for the parents and the teachers and, most of all, the kids.

SPEERS: So where there have been these blowouts like at Port Hastings in Macquarie - in Port Macquarie, you make no apologies for that?

EMERSON: What's happening there is that the New South Wales Government is going through a thorough audit process. We're working with the New South Wales Government on that. In the New South Wales parliament there was a return to order in terms of transparency. That's a fancy way of saying they asked for all documents. They got boxes and boxes of documents from the New South Wales Government late last year, and that auditing process will continue.

So wherever there are problems, they will be examined and remedied.

Now, all I'm saying is, no, it's not a perfect scheme. This is not a revelation. It's not a perfect scheme but it's a bloody good one when 99 per cent plus of the projects have gone ahead on time and are producing great new facilities for our kids.

Now, the only people who are really critical of the whole scheme - and, okay, it's fair enough to criticise if there's a problem here and there - but the critics of the whole scheme are the Coalition who would terminate this scheme, who would ensure that tradies and small businesses were out of work.

SPEERS: They're doing their job highlighting cases of waste and mismanagement...

EMERSON: And - okay, it's one thing to...

SPEERS: ...as Oppositions are required to do.

EMERSON: ...do that but they have never said that they support it in any way, shape or form. And we know that they voted against it in the parliament. They hate this scheme. They hate this scheme and they would terminate it.

SPEERS: Just finally though, you've said it's not a perfect scheme. Could it have been designed any better to avoid some of these quite significant cost blowouts?

EMERSON: We need to see this scheme in the context of a stimulus. Now, what we did is stepped in early, moved decisively with a large new investment that was good for the country's future but supported jobs, small businesses and tradies when they most needed it, when there was a global financial crisis that then became a global recession.

Now, what the Coalition said is let the market take its course, let the market take its course; step back and watch people lose jobs, watch the economy going into a downward spiral where confidence is smashed, and then come in later and pick up the pieces of the broken lives, the broken families, the broken small businesses, the bankrupt small businesses. That's not the Labor way and we don't agree with that sort of free market ideology that the Coalition is practising here.

SPEERS: Small Business Minister Craig Emerson, thank you.

EMERSON: Rightio, thanks a lot.