



**THE HON DR CRAIG EMERSON MP**  
MINISTER FOR TRADE

Transcript  
ABC 612 Mornings with Madonna King

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E&OE

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*Subjects: Older workers, NSW election, LNP in Qld, RBA appointments, price wars, Ponting.*

MADONNA KING: Now to the halls of power - let's go inside Canberra. Gillard Government Minister Dr Craig Emerson and Senator George Brandis from the Opposition. Gentlemen, good morning.

CRAIG EMERSON: And it's a hello to you Madonna and to George.

GEORGE BRANDIS: Good morning Madonna; good morning Craig.

KING: Can we just start with this, older workers? We've had Wayne Swan setting up this panel - Everald Compton heading it - looking at how to get 330,000 workers back into the work force. Going on the experience of my listeners, employers are reluctant to employ people in their mid-50s, late '50s, early '60s. George Brandis, how do we change this?

BRANDIS: Well let me start by saying I'm not in that demographic yet, but...

KING: Oh really?

BRANDIS: I think it's a very important issue, particularly because of the, you know, it ... the greater life expectancy people have, and people are well and active and mentally alert much longer, in longer lives, than they ever were before.

KING: But we know all that. How do we actually get employers to think that?

BRANDIS: Well I think it's ... it does involve a lot of attitudinal change. I think as well that, you know, we have to look at the tax and transfer payment system to create the appropriate incentives. But there's no doubt at all in my mind that, you know, as life spans increase, and people are, well, agile for many more years than they used to be, there ought to be greater opportunities to encourage them to stay in work or, if they've left the work force, to reengage.

KING: I'm going to hope you give less political answer and at least answer the question, Craig Emerson. How do you think employers could employ more older workers? What should be done?

EMERSON: I actually agree with much of what George said, and that is that there does need to be an attitudinal shift. Only a few years ago, Madonna, when I first came into Parliament there was a debate about whether mature-aged workers were aged 40 plus. At least we're up to the 55...

KING: We're all in that category.

BRANDIS: We're all in that demographic.

EMERSON: We're all in trouble otherwise. But we actually did - I saw a report on mature-aged, the mature-aged workforce, and problems of getting them into the workforce. Unemployment was considerably higher at that time. I think one of the problems, Madonna, is that, increasingly, middle management, which is responsible for a lot of the hiring, are very young people.

KING: Yeah, we've been talking about that this morning.

EMERSON: And they do actually have an attitude that is - well, I can't say every one of them - but there ... I think there is an issue which is that they tend to want to hire other young people. And, you know, they are not quite so comfortable about hiring people over the age of 55, who may have more experience than them and actually may know more than them.

KING: All right, that's certainly the experience some people have been saying on the email this morning. Let's go from older workers to just south of the border. Paul Keating has hit out at the choice of the new Labor Leader in New South Wales, a one-time union boss, being warned the defeated party could become more weight for Julia Gillard to drag along.

Do you share Paul Keating's view, Craig Emerson?

EMERSON: I really don't have a view on who should lead the New South Wales Labor Party. I don't know even all the prospective candidates to be perfectly frank. But what I would urge is that any and all political parties focus

their energies on policy - what's good for the people. If they do that they'll succeed; if they don't, if they argue and fight and let ambition get ahead of the people, then they'll fail.

KING: Aren't you already seeing that...

EMERSON: So that's a formula for both sides of politics.

KING: All right, but aren't you ... yes it is. But aren't you already seeing that with Paul Keating coming out really strongly against the proposed leader?

EMERSON: Paul's a former Prime Minister and a former President of the New South Wales Labor Party. He is New South Wales to his bootstraps. And I think he, having made such a contribution to public life, is perfectly entitled to express a view. For me as a Gillard Government Minister we just want to get along with the policy work.

I will say this about Barry O'Farrell and the Liberal Party in New South Wales, the Coalition: we want to work constructively with him. I pay tribute to Barry O'Farrell for uniting the party.

KING: All right, yes, okay, okay.

EMERSON: Oh, sorry, I got in trouble for paying tribute to the Liberal Party. I won't do it again.

KING: No, I'm just saying I want you to answer the question, and it's the ... it's the usual feedback after I talk to you and people love listening to you both for all sorts of reasons. But they say, 'won't you get them to answer the questions'. So that's my new plan in 2011.

I've got so many plans for this year.

EMERSON: What about interrupting each other? You've got a very divided listening audience on that. Some seem to like it, but most don't.

KING: Depends who's interrupting, I guess, and how people vote.

Craig Emerson, how much of the weekend Labor loss in New South Wales could be tied to the Federal party.

EMERSON: I genuinely don't think that they are related, and one of the reasons I say that is talking to a number of federal New South Wales Labor MPs who were on the booths on Saturday...

KING: Yes.

EMERSON: One was on the booths for five hours and not one voter mentioned Federal issues; not one voter mentioned the carbon price.

KING: All right. Let me go to you then on that, George Brandis. Do you think it is unrelated what happened in New South Wales?

BRANDIS: You know, Madonna, that's a bit revealing the nobody... you didn't mention the carbon tax, Craig, it was Craig who kind of 'fessed up. Look, I had a lot of friends who work on ... worked on the booths in Sydney. And their field evidence was quite different. But... they tell me that a lot of people, they expressed anger about the carbon tax and the infamous broken promise.

KING: How could you both be so different? Like...

BRANDIS: Well look, Madonna, my own view - if I may express it - is this: I don't think there's any doubt at all that the main issue in the New South Wales election was the state Labor government. It stank to high heaven. It had ... was hopeless, it was the most hopeless government anybody could remember anywhere in Australia. I'm sure that was the main issue.

But if anybody like Craig or anyone else thinks that the carbon tax wasn't an important secondary issue they're kidding themselves.

KING: Right of reply there, Craig Emerson.

EMERSON: Well I'll give you a real live example. Joel Fitzgibbon is a member in the Hunter Valley and he was one of those who was on the booth. And Joel said not one person mentioned carbon tax or carbon price.

BRANDIS: Maybe that's because they've given up on you on the carbon tax.

EMERSON: It was all because of the reasons that George said: it is a government that had run its course, and the result on Saturday was a result that was a long time coming.

KING: All right, we'll come to Labor and the LNP in Queensland in just a moment. But just on Federal issues: Wayne Swan has terminated a couple of Reserve Bank board members. Is this ... how does this normally work, Craig Emerson?

CRAIG EMERSON: Well no-one's there for life. A number of board members have had their terms renewed: Jillian Broadbent and Roger Corbett. Two in this case have not been renewed, and they've been replaced by Dr John Edwards, who has a PhD in economics in monetary policy - so that's right up the alley. And Catherine Tanna, who's a Gladstone woman and very well accomplished in British Gas and more generally in the energy sector.

So I think both being recommended by a panel - when I say recommended I say, as I understand it, a panel was formed and suitable candidates are then identified.

KING: All right.

KING: True or false? Are the board members who are being terminated being the most critical of the Government?

EMERSON: I'm not sure about that. I'm just going back into my memory, but I think Roger Corbett in the past has had quite a lot of adverse things to say about our Government and he's been renewed. So I don't think that that's the consideration that has guided the decision-making here.

KING: George Brandis?

BRANDIS: If you believe that you believe there are fairies at the bottom of the garden.

KING: Why do you think they've lost their jobs because...

BRANDIS: Yes, yes I do, yes I do and there is ... anybody who follows particularly the financial press knows that of the

current members of the Reserve Bank board, the two who have been prepared to criticise the Government's policies are Don McGauchie, who's a former head of the National Farmers' Federation, and Professor Warwick McKibbin, the latter particularly on the carbon tax policy and the approach to contracts and ...

KING: So are you saying this is payback, or is it coincidence?

BRANDIS: Yes I am as a matter of fact. Now of the two who have been appointed, I know Cath Tanna and I have no criticism of her appointment, by the way: I think she's a very considerable person and a very significant business woman. But John Edwards, for heaven's sake, I mean he may have good commercial credentials but he is part of the Labor family; he's as much a part of the Labor family as Ross Garnaut is, for example.

KING: Do you dispute that, Craig Emerson?

EMERSON: I do. He's been a chief economist at HSBC merchant bank for 12 years; has a PhD in monetary policy. What does the Reserve Bank do? It works on monetary policy.

EMERSON: Now why George is...

KING: George Brandis...

BRANDIS: No, that's not really the point...

KING: That's more credentials than you and I have.

BRANDIS: Indeed, but that's also not the point because there are...

EMERSON: No, the fact that he's highly qualified...

BRANDIS: There are hundreds and hundreds, if not thousands, of people in Australia with PhDs in economics - that's not the point. The point is of that very large pool of potentially suitable people, who does the Labor Party go for? A Labor Party trustee.

KING: All right, just...

EMERSON: Let me ask this question. George, did the Howard Government renew all of the appointments to the Reserve Bank that were made by the previous Labor Government? Answer: of course they didn't. It's not a job for life.

BRANDIS: Of course it's not, and I'm not saying it is, but I think it's very interesting that the two people who got sacked are the two people who were prepared to express an independent view from the Government.

EMERSON: They didn't get sacked - they didn't have their terms renewed again.

KING: All right, well let's leave that one there and that is right, they didn't have their terms renewed again.

On the LNP in Queensland: you're with Dr Craig Emerson and Senator George Brandis as we go inside Canberra this morning. And Queensland's corruption watchdog, the CMC, has announced it will now investigate claims the LNP president Bruce McIver

offered Bruce Flegg a plum job if he'd step aside for Campbell Newman to stand in the seat of Ashgrove.

George Brandis, this is not the publicity Campbell Newman would be looking for.

BRANDIS: Well, I think it's all so ridiculous because it's been denied by both men.

KING: Yeah, but everyone always denies something, don't they? Would the CMC be investigating it if they didn't think they should investigate it? I don't know.

BRANDIS: Why would the CMC be investigating a claim that two people had a conversation, when both of them have already said it didn't happen?

KING: But the CMC has confirmed they are investigating and that it would amount to a bribe if that was found to be true.

BRANDIS: Well, you know, as I say I mean you can't ... the evidence is the evidence and there's only one piece of evidence here and that is both people who are allegedly party to this conversation say it never happened. So come end of story.

KING: So, you're saying the CMC's over stepped its mark here?

BRANDIS: Well, it seems to me an extraordinary thing to have an investigation when they already know what the answer is.

KING: How damaging is something like this in the public arena?

BRANDIS: Well, I think people will not pay too much attention to it. But can I just make this point about this line that the Labor Party is putting about that the LNP is being run by faceless men. Now you know, Mr McIver, who's the president of the LNP, is on the television practically every week. He's one of...

EMERSON: That says a lot, George.

BRANDIS: Well, well, listen. Just bear with me Craig. I mean, he is one of the better-known political personalities in Australia. He's far from being a faceless man. He is one of the most well-known people in Queensland politics, and let me conclude on this note: can anybody - let me put it as a challenge to your listeners Madonna - can anybody name the state president of the ALP?

KING: All right, if you can name the state president of the ALP call me, and I will give you a 612 ABC Brisbane gift for the first person who can. But tell us a little bit about Bruce McIver?

BRANDIS: Well, I think he's a very considerable man. He's run a very successful family trucking business in south-western Queensland - that's his background. I like him personally and I think he's really a breath of fresh air.

KING: All right, your view on Bruce McIver, Craig Emerson. Just to be fair.

EMERSON: Wouldn't know him if I, if I ran over him.

BRANDIS: Do you know who the state president of the ALP is, because...

EMERSON: I do, but I'm not telling you.

BRANDIS: ...I don't. [Laughs]

KING: You do.

BRANDIS: No, I don't.

KING: Well, we'll see how long it takes ...

EMERSON: What's the relevance to this? What's the relevance to this to your listeners?

BRANDIS: It's this nonsense line being put about the LNP's run by faceless me. It couldn't be more transparent, but nobody who...

KING: All right, can I just stop you there because the person who said that, used the term "faceless man", is the LNP leader until last week, John-Paul Langbroek. He is the man who used that term in a press release and then on my programme last Monday morning.

BRANDIS: Look, he might have done and, you know, but the point I'm making is that there is nothing faceless about the people who run the LNP. Mr McIver is one of the most upfront and visible people in Queensland politics.

KING: All right, just tell each other what...

EMERSON: Well, that's your pre-selection reassured George.

KING: All right, Wayne from Wynnum, good morning.

CALLER WAYNE: G'day Madonna. How are you?

KING: Good. Who's the winner? What? Sorry...

WAYNE: Who's the winner? Well Labor's always the winner, but Andrew Dettmer.

KING: Andrew Dettmer. That is correct, is it not Craig Emerson?

EMERSON: Yes.

BRANDIS: Never heard of him.

KING: You do.

BRANDIS: I've never heard him.

KING: You've never heard of Andrew Dettmer?

EMERSON: He's a mean guitar player.

BRANDIS: Never heard of him.

KING: Craig Emerson?

EMERSON: Where's a guitar? Why don't you, me and Andrew get together... I was actually talking to him last night on the phone, believe it or not.

KING: Oh well...

EMERSON: Can I just have a quick...

KING: No, no I'm just saying Wayne I'll just put you back to Rebecca and we'll send you out a copy of our new flood book, and this is available in ABC stores and it is essays on the floods that has just been released and it's been written by 14 ABC journalists.

Yes Craig Emerson, briefly...?

EMERSON: I just wanted to briefly defend the CMC. I do not know the circumstances of this, but I do know the Crime and Misconduct Commission would not launch an investigation if there were no evidence whatsoever. They are not a political body.

KING: Do you know that as a fact, or are they duty-bound to investigate anything that comes across their desk?

EMERSON: When I was head of the Environment Department, it worked like this: the CMC used to be called the CJC then...

KING: Yes.

EMERSON: ...and had stacks and stacks of allegations, Madonna, many, many of them politically-motivated. They didn't then say 'oh we've had any allegation, we'll launch a formal investigation'. They do an initial assessment and then based on that initial assessment they either investigate or they do not. Obviously, they've done some sort of initial assessment and decided to investigate. They should be allowed to continue to do that now free of interference from George Brandis and the Liberal Party.

BRANDIS: I'm not seeing to interfere. I'm not seeking to interfere. I was asked a question. I answered the question. I mean, it just does seem to me very curious that there would be an investigation into a single, what is alleged to have been a conversation when the only parties to that alleged conversation say it never happened. And what is there to investigate?

KING: Do you think...

EMERSON: Please do not cast those aspersions on the CMC.

KING: Just going back to Bruce McIver on Twitter. Sue says Senator George Brandis says Bruce McIver's one of the best known-political identities in Queensland. Well, he is now. If we took out a picture of Bruce McIver to the streets of Brisbane, do you think most people would know who he is?

BRANDIS: I think a lot of people would because ... because his photo's in the paper every week or so; he's on the TV all the time. As for Mr Dittmer [sic], who nobody's ever heard of apart from your listener...

KING: Dettmer...

BRANDIS: [Laughs]...

KING: [Laughs] Well we might try and do that and see how we go.

BRANDIS: Take a photograph of Mr Dipmer [sic] and see if...

KING: I've got that right, haven't I, Craig Emerson, it is Dettmer, isn't it?

EMERSON:

Yes, Dettmer.

KING:

All right, George Brandis, Campbell Newman has signalled next week he'll announce a shadow cabinet, and the slate is clean for policies. Is there an issue here in someone not elected, choosing the alternative government while the Parliament is sitting, and starting again with policies the party has been selling now for a couple of years? How do you get by that?

BRANDIS:

Well look, I think this is an unusual situation, but it's none the worse for that. I think people kind of find it refreshing that somebody's thinking outside the box here, and I'm sure this will all be done, as political things are done, on both sides in a reasonably collaborative way. I'm sure there'll be the appropriate conversations with the appropriate people.

But you know, I don't see anything wrong with it. And by the way, might I add a factoid to our discussion last week. You were asking me...

KING:

Is a factoid a little fact?

BRANDIS:

A little fact.

KING:

Yes [laughs].

BRANDIS:

The current Prime Minister of Canada, Stephen Harper...

KING:

Yes?

BRANDIS:

...came into Parliament in exactly the same way that Campbell Newman is seeking to go into the

Queensland Parliament. When he led the Conservative Party at the election, at which he was first selected...

KING: It is a different country, though.

BRANDIS: Yes, it's still a parliamentary system.

EMERSON: I think they've been forced into an election there. But anyway, I do hope that Jeff Seeney, for his sake, is actually selected by Campbell Newman to be on the front bench - the Opposition front bench - given that he's the Opposition Leader. But we'll see how that all unfolds.

KING: All right, look, we're going to jump over pokies and detention this week - just very briefly on milk. The supermarket milk price war has prompted Independent Senator Nick Xenophon to suggest breaking up Coles and Woolworths, to be considered as a way to reign in their power over suppliers. Should two companies be allowed to control 80 per cent of the market, or do you actually welcome the lower prices that are now in the shops. George Brandis?

BRANDIS: Well, I welcome the lower prices that are now in the shops. I think most consumers do. And can I just make one very quick point? It is a myth that there can't be a competitive market in which there are only two players. It may be that the market isn't competitive because there are so few players, but it is possible for there to be two players in a market in vigorous competition with each other.

KING: All right, and can I ask your opinion there, Craig Emerson? Do you welcome these lower prices, or do

you think two companies should not be allowed to control that much of the market?

EMERSON:

Consumers should welcome lower prices. Consumers get upset when prices go up. They shouldn't get upset when prices go down. There is more competition, as George is inferring there: what about Aldi, which has got more than 200 stores in Australia, and continues to expand and is putting some of this competitive pressure on Woolworths and on Coles, to lower their prices of basic foodstuffs, because that's what Aldi specialises in. Foodworks, a whole range of others - and it is not true, with respect Madonna, that Coles and Woolworths control 80 per cent of the market. It's considerably less than that.

KING:

All right, okay, that was the claim made that I read this morning. Let me correct that.

EMERSON:

Yes, I know, that's a self-serving claim, I know. I accept that you got that information, but it's made frequently...

KING:

Okay, so can I correct that? And how much of the market do they then control?

EMERSON:

Well, in terms of total supermarket items, it would be a bit above 50 per cent, maybe 60 per cent.

KING:

Alright, okay. I'm happy to say that, and you would agree with that, Craig Emerson?

BRANDIS:

I agree with everything Craig has just said.

KING:

All right, yes or no, Michael Clark is about to be named, we understand, the captain of the Australian

cricket team. Good idea, Bruce? ... Bruce McIver I was about to call you.

EMERSON: [Laughs] You might as well.

KING: George Brandis, my apologies.

EMERSON: Number one fan.

BRANDIS: You've already forgotten my name, Madonna. I'm like Mr Dittmer, you've forgotten me.

KING: Dettmer.

BRANDIS: [Laughs] Look, I expect that he will be named - that's what the commentators are saying. I think he'll be very good.

KING: All right, and Craig Emerson?

EMERSON: Yes, I agree with that: Michael Clark's very experienced, and yet still very young. So I think, you know, we've got a brighter future in front of us. Ricky Ponting, congratulations. Great job!

KING: Okay, my last question to you, and I want ... the best story here will get a high tea for two at Parliament House in Brisbane this Friday. You need to be able to go this Friday. You need to call me on 1300 222 612. But I want both of you gentlemen to tell me something about a family tradition. You know, is there a tradition in your family? Whether it's Christmas, birthdays ... an example in my own family is we have a meeting once a week, and the parents, me and my husband, use that as a way of talking about behaviour and rewards, the

children, maybe about a problem they have at school. And we run real meeting rules: you open the meeting; you close the meeting.

George Brandis, a family tradition in your family?

BRANDIS: I'm just trying to think, there are a few, there are a few little quirky things we do...

KING: Just one?

BRANDIS: We often have a fight on my son's birthday.

[Laughter]

KING: Why is that? I think that wins.

BRANDIS: No, we were just having a joke about that last night, actually.

KING: All right, Craig Emerson. What are you going to suggest?

EMERSON: An obligatory tradition, where everyone sits around the lounge and watches the mighty Bulldogs sweep to another glorious victory every Friday, Saturday or Sunday night...

KING: All right, and...

EMERSON: ...this weekend they're playing Monday.

KING: And this week they're playing Monday. George Brandis, another family tradition to get you out of strife with your son?

BRANDIS: I think he'd be very entertained.

KING: All right, okay, we're going to keep that one, then.

George Brandis, thank you.

BRANDIS: Thank you, Madonna. I won't call you Bruce McIver, or Felix Dittmer.

KING: [Laughs] That's Dettmer. And Craig Emerson, thank you.

EMERSON: Thanks, Madonna; bye, Bruce.

KING: That's Senator George Brandis and Dr Craig Emerson.

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