



THE HON DR CRAIG EMERSON MP
MINISTER FOR SMALL BUSINESS, INDEPENDENT CONTRACTORS AND
THE SERVICE ECONOMY
MINISTER FOR COMPETITION POLICY AND CONSUMER AFFAIRS
MINISTER ASSISTING THE MINISTER FOR FINANCE ON
DEREGULATION

Transcript

Inside Canberra, ABC 612 Brisbane with Madonna King

Wednesday, 14 April 2010

Interviewees: Dr Craig Emerson, Senator George Brandis

E&OE

Subjects: Election speculation, NAPLAN tests stalemate, refugee processing, health policy.

KING: It's a big week in Canberra, and there's all sorts of election rumours being thrown about. One has it that early August looks strong because of the way Kevin Rudd is acting. He's appointed a Population Minister to handle criticism over our population, frozen asylum processing for Afghans and Sri Lankans to mute that issue. He's moved to act on all these insulation complaints, now there's an independent inquiry into building contracts too. So with the decks cleared, are we off to the polls as early as August? Dr Craig Emerson, Minister in the Rudd Government, good morning.

EMERSON: Hello Madonna.

KING: And Senator George Brandis, good morning to you.

BRANDIS: Good morning Madonna, good morning Craig.

EMERSON: G'day George.

KING: George Brandis, you've been running late, what's your excuse?

BRANDIS: Plane delays.

KING: Okay, we'll forgive you for a plane delay. Now neither of you know when an election is being held, but when won't it be held? Can you guide us through how it's decided in terms of school holidays, winter elections, big sporting functions. Starting with you George Brandis.

BRANDIS: I'm probably the wrong person to ask Madonna. I'm not in the government. I don't make these decisions.

KING: But you're party to a government that has called elections previously and you know how it works.

BRANDIS: I don't want to lean to this speculation about an election. I don't think it can sensibly be held before 1 July because that would get the Senate out of sync with the House of Representatives. Theoretically it could be called up to the 11th of February next year because that's the third anniversary of the first sitting of the House of Representatives after the last election which is the relevant constitutional requirement. But it's entirely a matter for the Prime Minister Madonna...

KING: Yes, but I'm not talking about the politics of it. I'm talking about in history, and you are a student of history, that there's all sorts of research that you don't have it in a middle school holiday. That winter elections are rarely liked by either party.

BRANDIS: There are two other qualifying factors too. There's a Victorian State election on Saturday the 27th of November, because in Victoria they have fixed parliamentary terms so it obviously can't be then. It couldn't be later than then because there wouldn't be enough time between 27th of November and Christmas to have a federal election. So I think it's not going to be a late November or December election. And there are also the football finals weekends, which I think are at the end of September, beginning of October, so it is unlikely to be on either of those two weekends...

KING: ...Okay, so from your analysis then, 1st of July is obviously the beginning of the race, while you could go as late as February 11, it's unlikely to be later than 27th of November, and it's unlikely to be that day because of the Victorian election.

BRANDIS: I think if the Prime Minister keeps his word, and for Mr Rudd of course that's a very dubious proposition, but if the Prime Minister keeps his word and the Parliament serves the full term, I'd expect the election to be some time in October.

KING: All right. Now the reason we are asking George Brandis and Craig Emerson this this morning, is we are starting our election sweep. \$300 worth of ABC prizes to give away to the listener who correctly picks the Saturday, and the first person will get their chance after 9:30 this morning. George Brandis has given you a bit of a guide, 1 July through to 11 February, 27 November certainly out because of the Victorian election. I can tell you it won't be on a weekend of the big football finals. Craig Emerson, you don't know either, but in terms of history, what other guides can you give to our listeners?

EMERSON: George has pretty well covered the field actually. And that is football finals are usually a problem, school holidays are usually a problem, though it's quite common that there'll be school holidays in one State and not in other States. But it's not a time you usually prefer to hold an election because it's inconvenient for parents who have been travelling with their kids. I think George is right too about the 1 July misalignment of the House of Representatives and the Senate. We know it's an election year. I don't get as excited about it as people who think that they actually know, and the reason I say that Madonna is from experience with Bob Hawke. And as you know I worked with him, leading up to and during two elections in '87 and '90. He didn't know he was going to an election until he decided he was going to an election.

KING: That's a really interesting point and we'll come back to that in just a moment. But do you agree that 11 February would be the last day constitutionally you could go?

EMERSON: I would never challenge George's superior knowledge on constitutional matters, and the Senate and such matters.

KING: That's your understanding, George Brandis?

BRANDIS: Well, 11 February is the last date on which an election could be called, but not the last date on which an election could be held.

KING: Okay, I just wanted to verify that because I thought it was a little bit later than that. So the last date that could be called would be 11 February. Now Dr Craig Emerson, you did work for Bob Hawke, and a lot of our listeners may not know that. But you said he just made his decision at the last moment. With Kevin Rudd, and you know him well, is there anyone he would take into his confidence? Would it be a feeling in his gut? Would it be a big calendar on his kitchen table where he would be crossing off Saturdays?

EMERSON: I think that in the first instance the crossing off is part of the process to be frank with you, about school holidays, about football finals and such matters. But you don't really know until you know. You hear this on the sporting field, and in all other walks of life that you just get to a point where you say "Is this the right time to go to an election for the Australian people?", "Is it a reasonable time to go to the election?", "Is there a better time to go to the election?". If you come up with that answer that there's not a better time then you might as well go, and that's actually what happened in relation to Bob Hawke. By the way, I'm not speculating about a winter election, I'm not.

KING: Okay, we'll leave it there. There's plenty to get through in the next seven or eight minutes, but Roslyn called to say there was an accident on the Storey Bridge, you've heard that in the traffic this morning. She's been in a queue for one hour and has gone less than a kilometre. Five of the lanes on the Storey Bridge are now being reopened and Brad will be back with another update on that shortly. Remember during Inside Canberra, I will ask you a question after 9:30 relating to this. If you can get your answer correct, and you are the sixth caller through, you will get to pick the Saturday you want. Sometime between now and early next year for that \$300 worth of ABC prizes.

Moving on gentlemen, bank fees. The Greens leader, Senator Bob Brown has signed a Bill to abolish ATM fees, and require banks to have basic 'fee-free' accounts. This would save Australians \$5 billion a year. One bank has already done this, and has abolished, or almost abolished personal account fees. That has resulted in a five fold increase in new customers they claim. Going on reports this morning, Independent Nick Xenophon and Family First Senator Steve Fielding will support Bob Brown. Will either of your parties support his Bill to abolish ATM fees? Craig Emerson?

EMERSON: It's unlikely that we would do that across the board. There are ways of averting or avoiding these fees. One; you can go shopping and get some extra cash out, whether that's at the supermarket or at a department store, and that doesn't cost any more. Also, if you go into your own bank, I don't know if that completely removes the bank fee, but I think it is at least less expensive. I do a fair bit of this myself, they're normally \$2. I heard before we came on, one listener was saying that it's more than \$2. I'd like to see competition play its role here, because you're right that some banks are now starting to abolish other fees, including when your account is overdrawn, and it does work in their terms because they get extra customers. I think the consumers, the customers are the beneficiaries. If the banks take each other on then that would be a good outcome.

KING: But the short answer is it's unlikely Labor would support this?

EMERSON: It's unlikely.

KING: George Brandis? George Brandis has disappeared; we'll try and get George back as soon as we can. Trouble in Sydney with him missing his plane, the plane being late. We'll get his response to this in just a moment.

But onto the NAPLAN test Dr Craig Emerson. Students in years 3, 5, 7 and 9 in Queensland, at this stage look as though they won't be sitting these tests. How is your Government going to break this stalemate?

EMERSON: It's very very unfortunate as you know Madonna that if teachers don't staff these tests, because they are tests that are not only valuable in terms of the MySchool website, they're very valuable in terms of tracking the performance of individual students. Parents have a real interest in that. I'd just ask the Teachers' Union not to be so dogmatic about this. I don't know any teacher, or the Teachers' Union who say that NAPLAN testing is a bad idea. If they want to have an argument about the website...

KING: Teachers are saying that, teachers are saying that. They're saying that...

EMERSON: They're saying the website is a bad idea. It'd be a new development for me if they were saying that students should not be tested at all. And if that were the proposition, I don't think it is Madonna, if that were the proposition that would be doubly tragic.

KING: Do you think, George Brandis are you with us again?

BRANDIS: Yes I am. Sorry about that Madonna.

KING: What do you think the public thinks of the MySchool website, which uses the scores of these NAPLAN tests, given that it looks like kids in Queensland won't be sitting these tests.

BRANDIS: I think that the more transparency there is in school performances the better. For that reason the Coalition is always advocated a greater level of transparency and frankly, as the parent of a school aged kid myself I think it is absolutely disgraceful the Teachers' Unions would be threatening not to

cooperate in making the results of their schools more transparent for parents.

KING: Do you think that parents want these tests, and do you think parents support the MySchool website?

BRANDIS: I think parents want as much transparency as possible. I think there are limitations to the MySchool website. The Coalition would've had a more transparent process, but as far as it goes I think parents do support it, yes.

KING: Because from today, we're also going to introduce on Inside Canberra, the Voters' Jury. And stay with me, a little bit later you'll hear what you say on this issue, and you can judge whether Dr Craig Emerson and Senator George Brandis reflect your views too.

EMERSON: If I could quickly say Madonna, just on this point about NAPLAN testing, they've been going on for a very long time and they are worthy in their own right. It's true that we're using the NAPLAN tests for the MySchool website, but if Teachers' Unions are saying they no longer support NAPLAN testing then that is very very disappointing because it has been in place for a very long time.

KING: All right. Let's move onto asylum seekers and a question I keep getting asked. Now I don't know how to answer this. Craig Emerson, the Rudd Government has suspended refugee processing of Afghans and Sri Lankans. But how does that help stem the flow of people coming to Australia? Doesn't that just mean, and this is the question directed to me this morning, is that a backlog develops, all those Afghans and Sri Lankans wait on Christmas Island or outside Australia, and then in three and six months they will begin to be processed. But there's no reduction in the number of people coming here.

EMERSON: Well not necessarily. If we can take the Afghan asylum seekers, they're predominantly Hazaris, and it has been the practice, based on UNHCR and other advice that if you are a Hazari then you are almost certainly regarded as a genuine refugee. Now that may not be the case into the future because, and while I'm not suggesting for a moment that the overall military situation in Afghanistan is stable, in terms of the plight of the Hazaris, that may well be more stable than it has been in the past. So it would not be close to automatic that if you are a Hazari you would be regarded as a genuine refugee. We just want to use this period to make that assessment.

KING: All right, but my question is probably more fundamental. Aren't these asylum seekers continuing to come? They're just being held so their numbers are ballooning, there's no less, no fewer people arriving, it's just you will face a backlog in the processing of them once you decide to reprocess them.

EMERSON: Well I guess they'll have to make their own decisions about their prospects, based on their background and their circumstances. They need to have a genuinely held fear of persecution in their home countries, and if some do then maybe they will continue to apply for asylum. If others don't and they understand this reappraisal is going on maybe they will decide not to apply for asylum.

[News Break]

KING: Albert on the emails says Mary McKillop will become Australia's first saint on October 17, the election cannot occur before this date the PM loves big international events, he will be in Rome as PM which will be as close he will get to sainthood, so if you think you know what Saturday it will be I will ask you a question in this half hour so call 1300 222 612 be the sixth person to get it right and you can be the first person on our election tipping chart, \$300 worth of ABC stock to give away. George Brandis, Opposition Attorney General and Dr Craig Emerson Rudd Government Minister in Inside Canberra this morning and Senator George Brandis we were talking about this question of asylum seekers. The Government has suspended refugee processing of Afghan and Sri Lankan asylum seekers, what effect does this have on the stem of asylum seekers?

BRANDIS: Zero. It's a political fix and I'd be very surprised if people can't see right through this. The reason it'll have no effect is as simply as this: most of the people who buy passage to Australia through people smugglers from Indonesia have arrived in Indonesia months, and in some cases, years before they embark on these vessels to try and breach Australia's borders. If they have been trying to get passage by buying passage from people smugglers and waiting to do so for months, if not years, then another three months delay is not going to deter them in the slightest.

KING: Dr Craig Emerson how do you answer that?

EMERSON: It's not simply a three month delay, it's a reappraisal.

BRANDIS: Are you changing the criteria Craig because that's not anything the Prime Minister announced. You haven't said you're changing

the criteria, you've said you're delaying processing by three or six months.

EMERSON: No, it's not simply a delay. It's enough time to assess the situation in the source countries. Now in relation to Sri Lanka, they're actually having parliamentary elections. On the face of it that sounds like moving to a democratic system. Now that would then lead reasonable people to ask whether asylum seekers from Sri Lanka legitimately can say they are fleeing persecution – a well founded fear of persecution – well maybe the situation is changing in Sri Lanka with parliamentary elections and therefore it is possible at the end of this period that the criteria may well change.

KING: And the criteria changing meaning more people will be allowed in?

EMERSON: I can't pre-judge the actual outcome, but if the situation in a homeland has stabilised then other things being equal, it's more likely that they would find it increasingly difficult to establish a case that they are legitimately fleeing persecution. It doesn't mean that in those circumstances never could they establish that case, but it would change the situation. Otherwise, if people come from any country that is completely stable and say "I'm fleeing persecution", they do need to actually establish that. And if they're not fleeing persecution or have a well-founded fear of it, then they're not regarded as genuine asylum seekers and they are sent home.

BRANDIS: Doesn't sound like a very solid border protection policy to me Craig. And might I point out Madonna that everything Craig has said to you in the last couple of minutes is in direct contradiction to the argument he's been making all year, and last year when I, on behalf of the Opposition have been pointing out it is pull factors, not push factors that have caused the Government to lose control of our borders. As Craig would express it, the Government's policy is now built on a possibility, based on a conjecture, based on a hypothesis, based on a series of perhaps contingencies on the other side of the world.

KING: Isn't your policy based on Tony Abbott getting on a ship and going and physically turning around the asylum seekers?

BRANDIS: Our policy is our record. When we were in government there was a problem and we fixed it.

KING: But that's not a policy.

BRANDIS: In 2001 John Howard brought in temporary protection visas and a number of other tough measures and what was a very significant problem at the time was completely eliminated between 2001, when we introduced the tough policies, and 2008, when the Rudd Government got rid of the tough policies the average number of boat arrival was three per year.

KING: Craig Emerson?

EMERSON: Tony Abbott said that he will do "whatever it takes" to stop the flow of asylum seekers arriving by boat. So let's find what this policy of "whatever it takes" actually means. George, does it mean blowing boats out of the water? George, does it mean taking leaky boats, unsafe boats out into the open seas? These are the sorts of questions you need to answer George instead of saying "our policy is our record". Tony Abbott is trying to appeal to a segment of the population who think it would be a pretty good thing if they were blown out of the water, or if they were taken out to sea.

BRANDIS: That's a disgraceful thing to say about other Australians Craig. To say there's a significant segment of Australians who'd like to see boats blown out of the water is an irresponsible thing to say and you should apologise to the Australian people for saying that about them.

EMERSON: I didn't say a significant section. I actually have constituents who I talk to and other people in other parts of Australia and you'd be surprised about the number of people who you would not regard as extremist in one way or another who are advocating very extreme solutions to which Tony Abbott is appealing. What he needs to do is say "No I don't mean 'by whatever it takes', blowing them out of the water".

KING: But Craig Emerson, are you saying Tony Abbott is breeding racism in his comments?

EMERSON: No, I am saying he is seeking to harvest votes by using a broad statement instead of a policy. If he's got a policy let's stop hiding the policy, roll it out and then we can have a proper debate instead of this glib rubbish from George saying "our policy is our record".

KING: George Brandis, we haven't seen your policy. When will we see it?

BRANDIS: You may be reassured that it will be released between now and the election.

KING: All right, well I'm going to leave that topic here, and I look forward to talking about asylum seekers again when that happens. I want to move on to the issue of health. On Monday the States have agreed to hand over a chunk of health to the Commonwealth, or risk losing millions of dollars. Western Australia and Victoria are holding out. Does this mean national health reform will be scuttled Craig Emerson?

EMERSON: I'll give you the answer that I think you probably knew was coming your way and that is let's wait and see how the meeting with COAG goes. But this is the biggest reform to the health system since Medicare was introduced in the early 70s by a Labor Government. The dominant funder would be the Federal Government but in this scheme the hospitals would be funded nationally and run locally. It's a good plan, it's fully articulated, it will be fully funded, and we do need to do something in terms of reforming the health system and dealing with the financial issues that you've just raised.

KING: All right. We spoke to Nicola Roxon in depth about that earlier this week. George Brandis, would you like Victoria and WA to come across so that these reforms can go ahead?

BRANDIS: It tells you I think everything you need to know that Craig's own Labor Party colleague John Brumby, the Premier of Victoria, considers the Rudd plan to be a disastrous plan. I remember during the 2007 election, Mr Rudd used to say "If you elect me as the Prime Minister with as it then was with Labor Governments in all of the States, we will have a much more cooperative approach to federalism". Now I haven't seen a dispute of this intensity and magnitude between the Commonwealth and the States in my lifetime.

KING: All right, well let's wait until Monday and see what happens there. But WA and Victoria are holding out and I can confirm to you now that the Minister for Health, Paul Lucas, is granting Queensland health workers \$200 immediately for staff who are experiencing hardship, only if they apply for it, and they will have to pay the money back eventually. Is this a good way for the Government to act? \$200 hardship payment that they need to apply for but they obviously have to pay that money back when they are paid.

Two quick final questions. The Henry Tax Review expected to come down very shortly. A study this morning has shown Australia is actually lightly taxed by world standards. What's one thing you think you'd like Ken Henry to recommend when this is made public? George Brandis?

BRANDIS: It's not for me to suggest what is going on inside the processes of the Government. What we know about the different approaches of the parties on tax policy is that the Liberal Party has always had a more low tax approach than the Labor Party. Last time we were in power, in seven consecutive budgets we reduced the rate of personal taxation.

KING: But what would you like Ken Henry to do?

BRANDIS: All I can say is what my own party's approach is.

KING: Craig Emerson, what would you like?

EMERSON: If there are ways of simplifying the tax system, including for small business then that's well worth doing. We have a very complex tax system and I think everyone would agree with that - multiple taxes at multiple levels of government. So I think that's a very worthy goal in its own right. In terms of the overall tax burden we've committed that it will not rise above the level that we inherited as a share of the economy. And George is completely wrong again and he knows that the Coalition is the highest taxing government in Australia's history and the one policy that they have is to impose a great big new tax on everything you buy through Tony Abbott's paid parental leave scheme. The only policy they have is to increase taxes.

KING: But you've got this report coming out this morning by Tax Watch saying Australia's actually lightly taxed by world standards. Craig Emerson?

EMERSON: Well I reckon if you ask the Australian people they wouldn't be saying "Please tax us more heavily". That's the Liberal Party policy.

BRANDIS: That's the Labor Party's policy, Craig. In every Federal government in peace time, Labor governments have increased the rate of personal tax and Liberal governments have reduced the rate of personal tax.

EMERSON: That is completely wrong.

KING: The final question this morning, I want to know whether you think it's okay to lie about your kid's age when they go into a theme park, or to keep some money from an ATM if it spits it out accidentally. A big report has found most of us do that. Craig Emerson, do you think its okay under any circumstance?

EMERSON: No I don't. I don't want to sound too much like a goody-two-shoes but I don't think you should lie about your kid's age. There are reasons why.

KING: Let's leave it there. George Brandis what about you?

BRANDIS: No. No I don't.

KING: All right, finally they agree on something. George Brandis and Craig Emerson thank you.

ENDS