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Subjects: Small business tax cuts, Budget.

BRENNAN: Craig Emerson is the Federal Minister for Small Business and Competition Policy. Minister welcome to the program.

EMERSON: Thanks very much for having me on the program.

BRENNAN: To begin with; tax cuts across the board, how much and for who?

EMERSON: Well they are modest tax cuts. These are the ones that we promised during the last election so we're not pretending that they're huge but they're responsible tax cuts.

The - it depends on the income scale but basically for lower income earners we're increasing the tax-free threshold all the way up to \$16,000. So that's a - that's a really good boost for lower income earners. But all up and down the scale there are benefits in terms of lower tax but in addition to that, in addition to that we're going to ensure that people who earn interest income can get a special tax deduction, a 50 per cent tax deduction on that and also when you put in your tax return there'll be a standard deduction that you can claim so it both simplifies the tax and that's a pretty important thing and reduces the overall tax burden.

But just to give you an example, if you're on say \$40,000 through to about \$65,000 a year the tax cut will be worth \$450 a year.

BRENNAN: Staying on tax, the Government has been slammed over its 40 per cent mining tax. Have you been able to get a handle on what sort of effect this might have on Northern Territory miners?

EMERSON: Well I think that we can draw from experience of the petroleum resource rent tax that I was involved many years ago in developing and a lot of the dire predictions of today were made then.

That petroleum resource rent tax has been - has allowed the massive Gorgon project to proceed, the Pluto project to proceed and by the way the life of Bass Strait to be extended by several decades. So look I understand that the mining industry would prefer to pay less tax than more but the people of the Northern Territory, the people of Australia own the resources, there is a mining boom and we think it's only fair that the people of the Northern Territory should be able to share in the benefits of that mining boom through the resource super profits tax.

By the way, that money, some of that money is going to small business tax breaks and we know how important small business is to the Northern Territory economy so there'll be an immediate write off of assets valued at up to \$5000, you know, welding equipment, laptop computers, office furniture that sort of thing and also...

BRENNAN: The majo...

EMERSON: ...a cut in the company tax rate for those small businesses that are companies.

BRENNAN: The majority of the money will be spent on infrastructure amongst other things but it seems though that here in the Territory we've missed out on any big ticket infrastructure spending especially on - well we have the usual roads and defence spending but nothing especially significant.

EMERSON: Well we've got an ongoing infrastructure investment program and as you say a very substantial part of the revenue from the resource super profits tax will go into an infrastructure fund.

What's different about the Rudd Labor Government is that we accept that the Commonwealth Government does have responsibility to invest in infrastructure. The Coalition when in government and now in Opposition are saying investing in infrastructure is essentially a state or territory responsibility. We know that the states and territories can't do all the heavy lifting on their own and that's why the Commonwealth is investing in infrastructure.

BRENNAN: Given the Northern Territory contributes so much to mining, wouldn't it be more favourable to Territory citizens to put more money into Territory infrastructure?

EMERSON: Well as I say we are creating an infrastructure fund but the rest of the money is going to tax relief, tax relief for companies in the Northern Territory, tax relief for small businesses in the Northern Territory whether they companies, sole traders and partnerships and importantly we're increased the superannuation guarantee so that people have retirement incomes that are adequate.

So for example someone who's under the age of 30 as a result of us marching over time the superannuation guarantee up from nine to 12 per cent will get another \$108,000 in their retirement savings. That's good for all Northern Territorians.

BRENNAN: Just on the matter of health Minister, \$2.2 billion in new spending over four years but what does this mean for the Territory? What proportion of this money will we be getting?

EMERSON: Well it - overall it means more nurses, more doctors and it's a building on top of the reforms that were announced beforehand as a result of the Council of Australian Governments meeting. So for example more than half a billion dollars is going into investing in nurses, training and supporting our nurses.

We're going to have more GP super clinics and upgrades of existing facilities. There's money to enhance after hours services because we know in the Northern Territory emergency departments can be under a lot of pressure so we want to, you know, just reduce the waiting times at the emergency department and also for elective surgery.

BRENNAN: Is there any guarantee that that money will go to remote health services where there is a dire shortage?

EMERSON: Well it will be allocated equitably and I'm sure the Northern Territory through your two very strong local members Damian Hale and Warren Snowdon will get their fair share of this funding because we are acutely aware of the special needs of the Northern Territory.

BRENNAN: Just finally Minister, onto housing the budget papers have highlighted Labor's performance in the strategic Indigenous Housing and Infrastructure Program...

EMERSON: Yeah.

BRENNAN: ...seven house built in the Northern Territory under SIHIP in two and a half years, yet I can see from my reading of the budget papers there's been no new money committed to this program.

Is this a - can you confirm that?

EMERSON: Well what I can confirm is that there is money as you say that was identified for that program, it's now a matter of ensuring that those extra houses are built. It's not really so much a shortage of money, it's just been that we need to get those houses built.

Sure there have been some frustrations and delays in that. I think our ministers have willingly acknowledged that but it's now moving along so I don't know that it's a matter of announcing more money it's more a matter of just getting the job done.

BRENNAN: Fifty-six million dollars of unutilised capital from the Home Ownership on Indigenous Land Program to be redirected to the Home Ownership Program. What does this mean for the Territory?

EMERSON: Look I can't give you a specific answer on that particular program but I can assure your listeners that again we're acutely aware of the special housing needs in the Northern Territory.

I don't think it's an issue of a lack of funding, it's just a matter of rolling out the program and there have been some problems there. We're going to make sure that those - and those problems are being overcome so it's just a matter of making sure that the houses are now built.

BRENNAN: Minister thank you very much for your time this morning.

EMERSON: Okay, my pleasure, bye bye.

BRENNAN: Cheers.