



THE HON DR CRAIG EMERSON MP
MINISTER FOR TRADE

Transcript
ABC 612 Mornings with Terri Begley

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E&OE

Subjects: Parliamentary behaviour, PBS listings, carbon tax plebiscite, live cattle, Johnathan Thurston.

- TERRI BEGLEY:** Well, we think it might be cold here in Queensland the last couple of days, but that's got nothing on what has been happening in Canberra of late. Forget the ash cloud in the sky; it's the temperatures to have to deal with every morning in Canberra. But our politicians are down there and dealing with it admirably, no doubt. Let's head to the cold corridors of Canberra with Gillard Government Minister, Dr Craig Emerson, and Peter Dutton, the Shadow Minister for Health and Ageing. Good morning to you both.
- CRAIG EMERSON:** Good morning, Terri. We're in a warm and cuddly studio here in Canberra.
- PETER DUTTON:** Not so much of the cuddly either, but quite warm.
- EMERSON:** Later, and off air.
- BEGLEY:** I was going to jump in on that. Let's not go any further. But it must be hard getting up early in the morning of late. Just how cold? Give us a sense of how cold the temperatures are right now?
- DUTTON:** Are you talking about inside Parliament or outside? It's a pretty chilly breeze blowing through Parliament at the moment, Terri. But outside it's pretty cold and once that wind gets up, it's a nightmare. So I think Craig opts to go and play

touch footy; but this time of year I go to the gym, so it's much more civilised.

EMERSON: In fact, it was a lot colder about a month ago when there were deep frosts and it was about minus five. It's not that at the moment but you're going to see Peter and I agree that the wind is very cruel. It is classically the lazy wind; it doesn't go around you, it goes through you and we did try to play touch football yesterday – four on three – both exhausting and freezing.

BEGLEY: Well, it's a good workout.

EMERSON: And I didn't score a try, so I came in grumpy.

BEGLEY: Well, speaking of scoring tries, or being grumpy, or just not getting along: let's start on behaviour, gentlemen - parliamentary behaviour, of course. Manoeuvres got out of control last night, we're reporting today. The Speaker of the House, Harry Jenkins, asking MPs to lift their game. The business of Parliament getting bogged down in the workings of the chamber. Mr Jenkins has chided MPs. He says you've been irritating and your tactics have been disorderly. What happened last night? Why can't we get the business of Parliament running smoothly?

EMERSON: Well, look, I think frankly that's a very reasonable question. It was unedifying. By late last night the Parliament deteriorated. It actually started with a suspension motion - that is, to suspend standing orders - which Mr Abbott moved and it was seconded by Julie Bishop. When our one speaker got up, they moved that he be no further heard. It's like saying, 'well, we're going to have a big fight in a boxing ring', and as soon as our guy got up after a minute or so, there was actually a motion to gag the debate, which I've never seen in the Parliament. Nevertheless, that led to calling of what are called quorums, where 30-odd people have to turn up, and that happened during the Business Council of Australia dinner last night. So a number of us had to leave that. Then there was obviously some reaction to that and it descended from there. So it wasn't one of the finest moments, that's for sure.

BEGLEY: I think there were 13 quorums in total, in one night. I mean, the voting public, more and more when they hear stories like this, they have less and less patience for what's happening down there in the corridors of power. Is there an awareness of that? This public frustration?

DUTTON: Terri, I think there are two separate issues here. One is in relation to Question Time, which is what people see on the news of a night and see reported on your hourly news

broadcast and what not. That behaviour, I think, has got to a point where it is unacceptable, to be honest. And Alan Ferguson, who is a retiring senator, made a good speech in the Senate yesterday where he said, really, it is a complete and utter waste of time, both for the Government and for the opposition and for those poor people that have to endure the process over their radio or on TV. There is a great case for reform of question time. People might not realise, but Parliament sits for, say, 12 hours a day. For most of it, it's quite a civil exchange of ideas and people can debate sensibly. For Question Time, which is the hour, hour and a half, where the media turn up, the press gallery turn up, we have to act like performing seals and the higher you can jump, the more likely you are to get your face on TV that night. It's, I think, a completely irrational process that doesn't hold government to account. The government doesn't answer the questions, and that's not peculiar to this government.

But the separate issue that Craig talks about in terms of the quorums last night, again which I don't agree with in terms of the behaviour, but I don't think that has ... I don't think the public is aware of it too much, frankly. I think the anger really is about the Question Time behaviour and I think that's well placed.

EMERSON: Without trying to be partisan, I just want to make this point: Question Time has been shut down on almost every occasion this year by the Opposition calling for a suspension of standing orders. There's supposed to be 10 questions each side and very rarely does that happen. Around three o'clock every day, the Opposition Leader stands up and says, 'Mr Speaker, I move that so much of the standing and sessional orders be suspended as to allow the Opposition to condemn the Government for something', and so on.

BEGLEY: All right.

EMERSON: So, it's supposed to be a time of parliamentary scrutiny and, in fact, it has become a farce because it keeps getting closed down by the Opposition ...

DUTTON: Well, Terri, I just want to respond to that because ...

BEGLEY: One very swift response.

DUTTON: Yeah, if Craig is going to be partisan, I mean, the idea of Question Time in the Parliament is to hold the Government to account. Now, we believe that they're a bad government and we're not the only people in Australia who believe that. Now, we are suspending, just as the Government did when they were in opposition, they don't answer the questions. I mean, Wayne Swan has been sat down by the Speaker more times

in this Parliament than I've seen in 10 years, in this place because he does not answer the question.

EMERSON: [Interjects] That's just a fabrication.

DUTTON: Well, it's the absolute truth. It is a very partisan comment that you make, Craig, in relation to the suspension, the standing orders, and I think people...

BEGLEY: All right, we'll probably...

DUTTON: So we can agree to disagree.

EMERSON: It's happening all the time.

BEGLEY: Let's agree to disagree. You'll probably agree to disagree on this one. Let's move on because something that a lot of people would be concerned about, or did give a lot of people a scare this week, was news on the pharmaceutical benefits scheme and what the government is doing in relation to listing new medicines coming up on that. We had more than 60 health groups yesterday say the Government's list of subsidised medicines, it isn't big enough and that new medicines aren't going to come onto that list for the PBS.

Now, this is a real worry for a lot of people who are on medications that require a big expense out of their pocket if they're not listed on the PBS. Yesterday, Nicola Roxon, the Health Minister, did come out and list 13 medicines onto the PBS, but there are still a further seven medicines that the Independent Expert Committee has recommended to the Government that aren't going on the PBS. Why must people and their health be put into the firing line here? The health groups say, Craig Emerson, that this is all about saving money in the budget.

EMERSON: Well, it is taxpayers' money and you're right, Nicola did announce the listing of 13 such medicines. And the basic process - and I think Peter and I will agree on this - is that this independent committee, the Pharmaceutical Benefits Advisory Committee, evaluates various medicines. It doesn't list them all; doesn't recommend listing them all. Those that it does recommend, the Government then considers and we have listed most of those ...

BEGLEY: But there's a further seven...

EMERSON: ...and it can have budget, it can have budgetary implications and therefore they need to be taken into account. I'll just relay very briefly an intergenerational report that was commissioned by Peter Costello as Treasurer, that pointed to this whole area of health of being one of great increases in costs. That's actually the sign of a good society. People

should have life-saving medicines where we can. But we do need to make savings to make space for those life-saving medicines. We would urge the Coalition to support the means testing of the private health insurance rebate. That would help make some more room.

BEGLEY: But still, there are people who will have things like chronic pain, lung disease and schizophrenia - they're people who won't get to see some of their medicines listed on the PBS any time soon. There are seven medicines that this expert committee recommended the Government put on the PBS that are not going to be put on the PBS in the short term.

DUTTON: Terri, I'm very happy that you raised this.

EMERSON: Go on, Peter.

DUTTON: Thank you. Very happy that you raised this because this is an issue that's been flying under the radar for a number of months now and obviously people's attention has been elsewhere with the carbon tax and what not. But this is, I think, one of the biggest mistakes this Government has made. Now, for years the independent Pharmaceutical Benefits Advisory Committee, the PBAC, accepts applications from companies to list their particular medicines on our Pharmaceutical Benefits Scheme, the PBS. What has happened, both under the Howard Government, before that the Hawke and Keating Government, and since then under the Rudd Government, but not under the Gillard Government ... the Government of the day has accepted those recommendations and for drugs, particularly where they're under \$10 million a year in expenditure. Those drugs are automatically listed. For the first time in history, this Government has taken a decision - and you talk about the seven drugs; two of them were actually listed yesterday but five weren't - and these are for sufferers of serious conditions.

I mean, schizophrenia ... one drug that was listed yesterday for late-stage bowel cancer. These are serious conditions that people have. They need the medication. Even the PBAC has been critical of the Government. I think the important thing to remember is that this is a bad way to run the government. I mean, they just don't have an idea, I think, of how to list these medicines. It's going to have bad outcomes for patients and, frankly, it's not related to the Budget.

Although the Government said in February...

EMERSON: Of course, it is.

DUTTON: ...they weren't going to listen - no, no, that's not right, Craig. I mean, in February, the Government said that they weren't

going to list the seven drugs because they wanted to wait until they got back into surplus.

Now they're not back in surplus, but they've listed two of the seven. Which now makes every listing of a drug a political decision because it all goes before Cabinet; it's not in the patients' best interests because the PBAC has made a recommendation to list. The Government's ignored that recommendation and it is ...

EMERSON: It hasn't been ignored at all.

DUTTON: ...it absolutely has, Craig, and this is a ... and I think one of the biggest disgraces of this Government and really it needs to be rectified sooner than later.

EMERSON: Well that would be a really good story if it were true.

The previous government, when it got recommendations, just sat on them. They sat in ministers' in-trays and I think towards the end of the previous government efforts were made to make it more rational. But it is not true that the previous government, in a timely manner, automatically accepted all of the recommendations of the Pharmaceutical Benefits Advisory Committee.

And I wish, Peter, that you had explained that to the listeners. In the case of this Government it's a similar situation. Obviously we're all human beings; we'd love to list everything immediately. What do you think? We are just seeking to refuse to list for the heck of it?

DUTTON: Craig, Craig, I'll tell ... show you where you're factually wrong here.

EMERSON: ...from these diseases and of course we want them listed. We do; we are spending taxpayers' money on this and we need to consider that, but we do list the vast majority of the drugs in a very, very timely manner.

BEGLEY: Okay, I think we've given enough airplay ...

DUTTON: ...the PBAC has actually come out to criticise the Government for the first time as well, and it just shows what the contempt is for this Government by this independent body to not have these drugs listed, Terri, for people who are suffering...

EMERSON: Look...

DUTTON: ...serious conditions is unforgivable.

EMERSON: ...there was plenty of criticism of the Howard Government over this. I think they did try to do better towards the end of

the period, but the budgetary considerations loomed large for the Howard Government and there is no point, no point rewriting history on that.

BEGLEY: Okay, and let's move on to another topic now, gentlemen. You're listening to Inside Canberra this morning with Craig Emerson and Peter Dutton.

The carbon tax. This week Senator Steve Fielding killed off a suggestion by your leader, Peter Dutton, that a plebiscite be held on the carbon tax.

If it had the vote of the cross-bench senators it would have cost more than \$80 million to hold, and Mr Abbott has said he still would have opposed the tax anyway.

Is this is a political stunt Peter Dutton, and one we could have been out of pocket \$80 million regardless of the result?

EMERSON: High farce is a word that comes to mind.

DUTTON: Well, thanks Craig. I'll try not to, to interrupt you and good, you know, professional courtesy to extend to others.

Look, the fact is, Terri, that we would much prefer to have an election which would be an ultimate...

EMERSON: [Laughs].

DUTTON: ... an ultimate referendum on this issue. I mean this a tax that's going to ... a cascading tax that's going to raise \$11 billion a year. It is going to change life as most ... certainly people who rely on any sort of energy, people who are in small business are going to feel the full impact of this tax with absolutely no compensation whatsoever ...

BEGLEY: Sure, but we've...

DUTTON: ...and so...

BEGLEY: ...we've heard all of that before.

DUTTON: ...what, I think, well I think it's important if you're going to have a discussion about carbon tax to understand...

BEGLEY: But why hold...

DUTTON: ...why it is - well, this is the thing. I mean this is why...

BEGLEY: ...why hold a plebiscite, though, when Tony Abbott has said that even if everyone voted for having a carbon tax he would still go ahead with his opposition to it?

EMERSON: Ignore! He would ignore the outcome of the plebiscite.

DUTTON: We would, we would, we would be happy to go to an election straight away, Terri, and to have ... if people are worried about the cost or the outcome, let, let the people be the ultimate decider about whether we should have a carbon tax or not.

This is a government that hasn't been able to sell it. They, the Australian public, I think are very worried about exporting jobs to higher-emitting countries, to closing down manufacturing industry in this country, ultimately for no environmental or economic gain, and I think it's a reasonable thing to ask the Australian public to have their say.

And the government said before ...

BEGLEY: Even if you'll ignore their answer?

DUTTON: Well I'll tell you, I'll tell you what happened, which is most crucial to this debate, is that before the last election Julia Gillard said, hand-on-heart, days before the election, that there would be no carbon tax under a government that she led, ever. And she completely lied about that to the Australian people.

Now, that's why there's anger in the community and why we think that there is no moral legitimacy to the Government proceeding with this massive tax and basically turning the Australian economy upside down at a time when people have huge cost-of-living expenses and can't, can't I think, afford yet another Labor tax.

EMERSON: You've been going for about three minutes, Peter, and through all those words you studiously avoided answering a straight question: why would you have a plebiscite sponsored by the Opposition Leader, supported by the Opposition Leader, when he says after the expenditure of \$80 million he would ignore its findings? Why would you do that?

The word that comes to mind is "stunt", but not only a stunt - quite an expensive stunt.

And we're just talking about finding room in the Budget to make sure that lifesaving medicines are listed. But for Tony Abbott \$80 million is just a bit of spare change to fund a stunt.

Now, the other thing that you need to get over Peter is that you did not win the last election, and every day since the last election you've been calling for a fresh election.

You need to actually abide by the decision of the umpire, which in this case is the Australian people, and just get over it. Stop soaking.

BEGLEY: All right, Craig Emerson, we're meant to see some sort of agreement with the Greens - aren't we? - by 1 July on how this carbon tax will work, how it will look. Are we on track? Is there an end date here that we will know what we're talking about?

EMERSON: Well I'm, I'm not at liberty, unsurprisingly, to disclose the status of negotiations ...

DUTTON: [Laughs].

EMERSON: ...on your program, as...

DUTTON: They're going downhill, Terri. Don't worry about that.

EMERSON: ...to say.

BEGLEY: True, but I guess I'm trying to bring up a point...

EMERSON: This is your eternal hope, Peter. It's your eternal hope.

BEGLEY: I guess I'm trying to...

DUTTON: Rob Oakeshott's been very disappointed.

BEGLEY: ...to bring up the point that...

EMERSON: But to answer your question...

BEGLEY: ...well, people are sick of the talk. They want to know exactly how they're going to be affected.

EMERSON: Well, and we want to tell them the details when we reasonably can.

But here's the trade-off: you could announce the details at the outset and industry and others would legitimately say 'we weren't involved in the design; there was no consultation'. You can announce alternatively a framework and then have the consultation, which is exactly what we're doing and then announce the final details.

That's the better model. That's the way we're proceeding.

BEGLEY: Another issue this week that continues to dominate headlines: it seems as if there's no clear way forward on as yet, is the live export trade. Two cross-bench MPs have put forward bills to stop the export of live animals from Australia.

Craig Emerson, why not bring the meat processing jobs back to Australia if we can't get watertight guarantees our animals are going to be treated humanely once they leave our shores?

EMERSON: I think we will be able to get those guarantees and I'm able to report to your listeners Terri that the way we're approaching this with the Indonesian authorities - including through Senator Ludwig who's just come back from Indonesia and I was speaking to about 10 minutes ago - is that we're looking to identify a handful of abattoirs, processing facilities, that are either at or very close to the international standards and resume through those.

And then the only other major task is to ensure that we can track the live cattle from Australia into Indonesia, into the Indonesian feedlots and then into those abattoirs to ensure that they are being slaughtered humanely.

That's the way we're going about it.

BEGLEY: Craig Emerson, why didn't those abattoirs who were very close to having a good standard be ... why weren't they left out of the ban to start with?

EMERSON: Because we have not had the capacity with total confidence to be able to track the cattle and to verify that they do meet the international standards.

That's what we're concentrating on, and the reason that we're concentrating on that is that that would allow us to resume exports in a timely manner.

There's no point trying to get all 600 processing facilities up to standard, because that means that we either couldn't do it or it would take a very, very long time.

So, both countries are keen to see the resumption of this trade, but both countries are also keen to see that these cattle are treated humanely.

BEGLEY: Peter Dutton, how would your side have done things differently on this?

DUTTON: Well, Terri I think the first point is that the Government probably got their initial reaction right and then they had a knee-jerk reaction, a second reaction which went too far and I think that was probably dictated to them by Bob Brown and by some of the heat in this debate.

And I think everybody was horrified by the footage. It was just dreadful and so nobody wants to see cattle being treated inhumanely or going to those abattoirs where the practices are thoroughly unacceptable.

But to have closed down the whole of the export industry I think probably sums up what's wrong with this government and that is that they can't handle complicated problems and

there are legitimate abattoirs operating within Indonesia, some of which are owned by Australian companies. They operate to a similar or same standard as what they do in Australia and we shouldn't have closed exports to them.

And I think hopefully the government will arrive at a sensible solution, but in the interim they have damaged our relations with the Indonesians. They have really upset a whole export industry worth hundreds of millions of dollars and in the end it shows that over the last four years - and in particular in the months leading up to the airing of the footage on Four Corners - the Minister Joe Ludwig must have been completely asleep at the wheel.

EMERSON: This is one of the most bizarre policy prescriptions I have ever heard from an Opposition. Peter was asked a similar question yesterday and he said that the Coalition would have suspended only processing in those facilities that were filmed on Four Corners. What on earth gave him the confidence that no other facility was also sub-standard? And if we had continued to export and suspend only for those filmed on Four Corners, the very great likelihood is other facilities would have been below the international standard, therefore we need...

BEGLEY: Craig Emerson just to...

EMERSON: ...to suspend and ensure that we get the trade resumed and that the operations are done humanely and to international standard.

BEGLEY: ...Craig Emerson what is your quick response to talk around today that there are fears the Indonesian market will lock Australian export operators out permanently because of all of this?

EMERSON: There is, I can tell you this, there is a genuine interest on part of the Indonesian authorities and government and Australia to resume the trade. I know that because I have been in discussions with my counterpart – Mari Pangestu, the Trade Minister for Indonesia – and Joseph Ludwig has reported the same. They actually do want the resumption, they do want the resumption, but we need to do it in a way such that those international standards are adhered to.

BEGLEY: Okay. Well gentlemen we're almost out of time. Let's see if we can get a bipartisan answer on this last question. Johnathan Thurston, I mean even though you're in Canberra you would not be out of the loop on this, he has been – going to be called up in front of the judiciary tonight to answer a charge of tackling a referee. Gentlemen, you're from Queensland, is he being unfairly treated on this?

EMERSON: Well as an observer of football I only caught the footage out of the corner of my eye. The referee seemed to think there was a case to answer and that's why he's been charged. Whatever the outcome of that, I would hope that he is able to play in the third State of Origin match because if he isn't, there will be a lot of people saying that Queensland was put at a severe disadvantage.

So let's just hope that it all works out and that if there was a problem that is dealt with. But if there is a way, if there is a way of dealing without rubbing Johnathan Thurston out for the third State of Origin match, then I think that would be a good outcome all round.

BEGLEY: Peter Dutton have you got your fingers and toes crossed for tonight?

DUTTON: Well, Terri despite the fact that Craig and I have talked over each other and behaved badly during the interview, this is where we'll finish in a warm embrace.

EMERSON: I told you it was going to be cuddly.

DUTTON: Tim Mander's a – Tim Mander's a good mate of mine. He would have probably a different view, but I think it'd be terrible to see him not play. So you're absolutely right – fingers crossed.

EMERSON: And there is a risk of Queensland seceding if he does get rubbed out.

BEGLEY: Yes.

EMERSON: That needs to be taken into account by the referees and the judiciary.

BEGLEY: Thank you both. I'll let you get on with your cuddling.

DUTTON: Righto.

EMERSON: Thanks so much Terri.

BEGLEY: Catch you next week.

Peter Dutton and Craig Emerson, our politicians Inside Canberra this week, ending on a warm and cuddly note, which is always nice to hear.

