



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

Transcript  
2CC with Mark Parton

29 June 2011

E&OE

---

*Subjects: Newspoll, carbon tax, Liberals' cuts plan, Greens in the Senate.*

---

MARK PARTON: Now we're joined on a regular basis by the Federal Trade Minister Craig Emerson, and he's been kind enough to call in again this morning. Doesn't matter what's going on unless he's in another time zone, he tends to fulfil so it's a beautiful thing. G'day Craig.

CRAIG EMERSON: Love is in the air!

PARTON: Love is in the air? Where?

EMERSON: Up here in Brisbane. I've escaped the Canberra cold and now it's starting to bloody rain on me. I don't know.

PARTON: Oh really? It's not too bad here. I think it got down to minus four again this morning, but it's alright. But it ...

EMERSON: It's good to be alive!

PARTON: Mate, it must have been very, very cold in offices like yours on Monday when you were going through those Newspoll figures. 'Cause they're not flash, are they?

EMERSON: Oh, no one's pretending that they're flash. But it's a big reform moment for Australia really. This carbon pricing initiative is really important, and I think I've mentioned to you, Mark, not just for the environment but we do need to make the transition to a lower carbon economy and insulate ourselves against

retaliation by countries that are already in the process of implementing a carbon price. And as Trade Minister I have to be pretty aware of that. Now, if we just sit on our bums and do nothing and other countries move forward we could easily find ourselves isolated on the trade front. We make a lot of our income from exporting.

PARTON: We've got big, big heavy meetings going on today involving that committee which is, in theory, going to flesh out the final deal. You've got to be worried about the sort of impact that the Greens are having on those discussions, because I'm sure they're going to push you to a place where you don't want to be.

EMERSON: We will be in a place where we want to be and it's always been the case Mark. I think it is only twice since 1975 that in the Senate the ruling party, the governing party has had a majority, so negotiating with minor parties and independents is not some new development that has occurred after the last election. And I think Mr Howard had a majority in the Senate after the 2004 election and I think Malcolm Fraser had one during part of his term during the 1970s. For all the rest of the period, Coalition and Labor governments have been negotiating with Democrats, with Independents and with Greens. So nothing really new about that.

PARTON: You must have seen some of these reports that have come out of the US in recent days. A number of congressmen saying that 'look, it doesn't really matter what Australia does, we're not going down that path'. What makes you think that we can lead the world in this fashion? You say it's important for us to cut emissions, but of course the big importance is for us to cut global emissions. And if we have no impact on that and we do it to the detriment of our own economy, what's the point?

EMERSON: Well we're not leading the world; we're around the middle of the pack, Mark, but the middle of a pack that is moving not the middle of a pack that is doing nothing. In the United States they're implementing a whole set of measures. This is true: it's not an emissions trading scheme. The Obama Administration would have preferred that but can't get it through Congress, so they have to resort to a set of very expensive budgetary measures.

Now, there's some real parallels here, and that is Mr Abbott says that he would achieve the same emissions reduction as the Labor government but he'd do it through the Budget. Now, the cost of that would run up to \$30 billion of taxpayers' money. You know, here's the difference: we would be taxing the big emitters and using part of the proceeds to compensate

pensioners and taxpayers through tax cuts. Mr Abbott, instead of taxing the big emitters, would be taxing the Australian people to pay for his inefficient, ineffective scheme.

PARTON: Well, that wouldn't be the only thing he'd be doing. He'd also be sort of halving the public service here in Canberra.

EMERSON: Yeah, I saw reference to that. I saw reference to that. He's got a hangover of an \$11 billion black hole from the last election, as confirmed by the Departments of Treasury and Finance. He hasn't repudiated any of those election promises. Now he says he's going to come up with a whole bunch of tax cuts, but he doesn't know where the money is going to come from, except they're going to kick the guts out of the public service in the ACT, which would be extremely bad for the ACT economy, let alone service delivery in this country.

PARTON: Perhaps he might just be going with the Peter Garrett line that's uttered at airports sometimes and that is 'Oh when we get in we'll do what we like'.

EMERSON: Well, let me say this: he wrote an opinion piece in July of 2009 which isn't too far, too long ago, and in it he said even the firmest position arrived at in Opposition can be revisited in Government. So what he's actually saying is 'I wrote that down. That was my get out of jail free card. So, if I do get elected and I have to dump a whole bunch of promises everyone knows that I'm gonna do that because I wrote this down in an opinion piece, so that's what I reserve the right to do'.

PARTON: Okay. What's on for you 'round 12.30 today? And the reason I ask is Bob Brown's addressing the National Press Club. I don't know. If I was you I think I'd be watching.

EMERSON: Well as I say, the Greens have got a set of policies; we've got a set of policies; we negotiate with minor parties - nothing new about that.

PARTON: Yeah, but Bob Brown thinks all of a sudden that he's Superman; that they've got the balance of power there and I mean he's talking tough now on the mining tax and demanding that things are ramped up. I think it's gonna get crazy.

EMERSON: I saw some reference to this, Mark. And as you know, I said I'm up here in Queensland and haven't read all the papers but the reference I saw was that Bob Brown would be arguing for a higher rate of mining tax but would not seek to block our legislation. Now, let's see what he says at the Press Club. But that's something I read this morning in the papers. Again, he's the head of a different political party; he's entitled to express a

view, just like Meg Lees was entitled to express a view on behalf of the Democrats, Cheryl Kernot before her and Don Chipp before them.

Did anyone ever say that Don Chipp was running the Coalition because Don Chipp on behalf of the Democrats had a different view? I mean, he was a former Liberal but he had a different view on a whole range of matters. That didn't mean that the Fraser Government or any other subsequent Government would be run by Don Chipp.

PARTON: Craig, thanks for your time this morning.

EMERSON: Thanks Mark.

PARTON: Federal Trade Minister Craig Emerson.