



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

Transcript  
Sky News AM Agenda with David Lipson

5 July 2011

E&OE

---

*Subjects: carbon pricing, live animal exports, Independent Education Union and ACTU*

---

DAVID LIPSON: With me now the Trade Minister, Craig Emerson, and the Shadow Health Minister, Peter Dutton. Thanks very much for both your time.

CRAIG EMERSON: No worries.

LIPSON: First to you, Craig, on the carbon tax. Why release this at the end of Parliament before the long winter break? The Opposition says that you're running away from scrutiny.

EMERSON: Well, there'll be plenty of scrutiny on it. Good journalists like you and your colleagues ...

LIPSON: Thank you.

EMERSON:

...and the Opposition and every other person in Australia will have a good opportunity to go through this package when it's released on Sunday. In terms of parliamentary scrutiny, well, the fact is that the Opposition Leader in any event closes down Question Time around three o'clock every day and moves a suspension of Standing Orders.

But look, there are a few details to be ironed out. That's what's going to happen between now and Sunday. Then it'll be released for all to see and for the Opposition to condemn.

LIPSON:

The Greens said yesterday in relation to petrol that you can never say never on petrol price increases under a carbon tax, for example. What's your guarantee, I suppose ... how can we be sure that the carbon tax won't be applied to petrol eventually in the future?

EMERSON:

Well, it won't. Maybe the Coalition one day will do it, but Labor won't be applying a carbon tax to petrol. That's our position. You need to legislate to do something like that. We won't be legislating to do it.

LIPSON:

And Greg Hunt, we'll get to you in a moment. I just want to pepper a few questions in this direction to reply to Greg Hunt. Greg Hunt says that the Government has effectively stolen the Opposition's direct action plan by this announcement to shut down some of the dirtiest coal power stations. What's your response to that?

EMERSON:

Well, if that's the case, the Coalition should support our plan when it's released on Sunday. If Greg Hunt is right - that our plan is not putting a price on carbon, is not a

transition to an emissions trading scheme, but it is Tony Abbott's direct action plan - they should pledge to vote for it. But you'll have to wait 'till Sunday to see what it actually is.

And in truth, it is putting a price on carbon and then a transition to a floating price. So, it starts with a fixed price, then a floating price. That's an emissions trading scheme. That's supported by just about every economist in Australia, and yet again Tony Abbott has struggled to get one economist to support his direct action plan.

LIPSON:

Peter Dutton, I'm sure you've got a few things to say in response to those comments.

DUTTON:

Well, David, I think like most Australians, I'd say 'why would you believe this government?'. This is a government that says now that there won't be a tax on petrol. They said before the election - I mean, six days before the election - that there would be no carbon tax whatsoever. I think it was clear that the Government and the Greens in coalition were heading towards a tax on petrol, and obviously we have had incredible pressure as a Coalition being applied to the Government on this very issue. And I think at the 11th hour the Government's blinked.

But I just think the evidence speaks for itself, and that is that this is a government that is flailing around at the moment; they are completely at sea; they obviously do not want any parliamentary scrutiny this week.

I think Christine Milne let the cat out of the bag yesterday when she inadvertently let slip that the details of the tax would be released later

this week. I suspect that Julia Gillard wanted to float through this week and have her surprise announcement on Sunday. And this is a government, clearly, that wants to escape parliamentary scrutiny. And if ever there deserved to be parliamentary scrutiny of a government, it's certainly right here and now.

LIPSON:

[Clears throat] Excuse me. Just in regards to things like petrol or the coal scheme, should, as Craig Emerson suggests, the Opposition then support the passage of this legislation through Parliament?

DUTTON:

Well, David, as an Opposition - and not just in this Parliament but in the last Parliament - where there was sensible legislation put forward, we supported it. But we don't believe that this is sensible legislation; we don't believe that this government has put forward a carbon tax based on a mandate; in fact, quite the opposite. The Australian people voted for a government that they thought said before the election there would be no carbon tax under this government.

EMERSON:

You can't have it both ways. Greg Hunt has just said that the Government is embracing his and Tony Abbott's direct action plan. He seems to know that. This is a secret that he seems to have and therefore should support it.

Now, the truth is we're going to have an emissions trading scheme starting with the fixed price permit. But Mr Abbott has said on no fewer than 20 occasions, to people publicly on programs such as yours, there will be a carbon price on petrol. He's wrong. And he's been making unfounded, wild assertions in this

crazy, hysterical, scare campaign for month after month.

And now we're saying we're releasing the detail, and he says, 'oh, well you've got to release it now during a parliamentary sitting period', when in fact they don't even make it through to three o'clock because they run out of questions. They run out of questions.

LIPSON:

There may have been a scare campaign by the Opposition, but there has been a spin campaign from the Government as well - this drip-feed of positive announcements that have come out every Sunday for the last two or three weeks, plus other announcements during the week, months before as well.

Is the Government guilty of a spin campaign?

EMERSON:

Well, again, we've had people saying, 'you need to start releasing details of this plan'. The way that we needed to do it, in truth, and the only sensible way of doing it is provide a broad outline, work through the details, including very importantly with industry, and then finalise the detail.

You could not say - and I know what industry would have legitimately said if we'd said at the outset - 'we are unveiling the entire plan with no consultation with industry', or alternatively, 'we are consulting with industry but we don't have a plan at all'. Neither of those would have worked.

And what we've needed to do is say, 'here's some of the structure - now we'll work with industry, we'll work with other stakeholders',

and as some information has been available to release to the public we've released it. On Sunday, everyone can get the full detail and then they can make their judgments.

But I already know what the Coalition's judgment is: that it opposes it and would replace it with a direct action plan that will cost every household in Australia \$720 a year. That is a very expensive impost.

LIPSON: Peter, I can see you want to jump in there.

DUTTON: Well, I'll just come back to your words of this government being in complete spin, David. I mean, this is a government ... anybody that watched Question Time yesterday, they saw the Government at an absurd level of hypocrisy. It was policy on the run in relation to petrol. As you say, they announced that on Sunday to try and get a good story up in the Sunday newspapers.

Craig privately wouldn't agree with the nonsense and the way in which Wayne Swan's conducted himself in this sordid affair. The fact is that ...

EMERSON: He's done a great job.

DUTTON: Oh, please, Craig.

EMERSON: He's done a great job.

DUTTON: That ... not even you could credibly say that with a straight face. You're not maintaining a straight face?

EMERSON: What we do know is that ...

DUTTON: No.

EMERSON: ...whatever we do you and Tony Abbott will oppose. That's the script; that's the script.

DUTTON: So what we found out yesterday was that there actually wasn't a blanket exemption on petrol. The Government was making policy up in Question Time yesterday. They couldn't answer the basic questions about whether the fuel tax would apply to public transport, would it apply to concrete and bobcat and backhoe operators.

The most basic questions about an announcement made on petrol couldn't be answered as late as yesterday. And this is a government that is in, I think, a complete tailspin at the moment.

EMERSON: It will be available on Sunday, so...

LIPSON: All the questions will be...

EMERSON: ... try not to get too stressed about it, Peter.

LIPSON: ...will be revealed on Sunday, I'm sure.

EMERSON: Exactly, exactly.

LIPSON: Either way, for whichever side, perhaps there'll be more questions I'm sure from the Opposition.

EMERSON: And the Opposition will be totally opposed to it.

LIPSON:

But we've got to move on. Another story that I wanted to get your thoughts on is the live cattle export. Four weeks on after the suspension now we still don't have any cattle going to Indonesia. Kevin Rudd is finally going there on Friday. Why has it taken him so long, Craig Emerson, to get there?

EMERSON:

Oh well, we have a thing called Parliament, and he's had other commitments. But it's not a matter of Kevin going there and no prior work having been done. We have, I think as Julia Gillard, the Prime Minister, has described it, a team effort applying to this task. And the task is the resumption as soon as possible of the live cattle trade, consistent with achieving animal health standards.

And that's what the Australian people want. They want the resumption of live cattle trade, or at least a majority do, but they want the treatment of these animals to be humane. That's what we're seeking to do.

Yes, it's been a month. Now, the Coalition - I remember we had a discussion about this - said there should ... they're opposed to blanket suspensions. Well, the Coalition applied two blanket suspensions during their period - one in Saudi Arabia, one in Egypt - right across the board. And you know how long it went for? Month after month after month.

LIPSON:

But then can we expect this one to go for month...

EMERSON:

No,...

LIPSON: ... after month?

EMERSON: ...you can't. You can't expect it to go month after month. As much as Peter and others would hope that it would, we are seeking the earliest possible resolution on this and we are working around the clock to achieve it.

LIPSON: Peter Dutton, what's your response?

DUTTON: Well David, it's not the Coalition only that's calling for the sacking of Joe Ludwig. I mean the farmers themselves, who are now facing horrible decisions about whether they will need to plan to slaughter some of their cattle stock ... this is a situation of the Government's own making.

As I've said on this program before, I think they had their initial response pretty much on the money and from there they did a back-flip. They had a knee-jerk reaction. Kevin Rudd's been off in Burma and every other part of the world, except for Indonesia. He's wanting to distance himself from Joe Ludwig and Julia Gillard and Craig Emerson in their so-called "Team Australia" efforts. They're sort of like the Team America efforts.

EMERSON: You just call them that.

DUTTON: And this is ...

EMERSON: This is a [indistinct].

DUTTON: ...this is going to be, you know, I think a very interesting development. If Kevin Rudd pulls off a deal here, he's going to be able to say to

his backbench 'we had this hopeless Prime Minister, this hopeless Agriculture Minister and this hopeless Trade Minister on this issue...

EMERSON:

I love you too, Peter.

DUTTON:

... on this issue for a month and I, Kevin Rudd, have been able to solve this for the Australian people in no time flat'.

So let's see what Kevin Rudd does, because I think it's going to be a demonstration of his so-called capacity.

But look, he's been missing in this whole debate for so long. This sordid affair has continued on and people's livelihoods are at risk. Some people are going broke. And as I say, we're facing the slaughter of cattle, which ...

EMERSON:

And bear in mind ...

DUTTON:

... which is terrible.

EMERSON:

...Peter's plan, and Tony Abbott's plan was to suspend only for those facilities that were shown on *Four Corners*. There's 600 facilities in Indonesia, so all of the rest we would not be able to answer, as a government or an Opposition...

LIPSON:

Okay.

EMERSON:

...as to whether cattle were being treated humanely in there. But who cares?

LIPSON: One last topic I want to touch on and this is the split between the Independent Education Union of Australia - that's the private schools education union - and the ACTU. They're blaming the Greens for it.

Is this is, you know, a problem for Labor's base? That this sort of agreement that Labor has at government level with the Greens - are you going to see your base, your union base, fall away?

EMERSON: Oh, they're still a union. I mean the Independent Education Union is still a union. They still organise their members. That's a good thing. Their relationship with the ACTU is a matter for them. But what we are all united on is to ensure that Peter and Tony Abbott and the others don't return to the Treasury benches and bring back the worst elements of WorkChoices...

LIPSON: Okay. Just very quickly ...

EMERSON: ... which is obviously what they're going to do.

LIPSON: ...we've got about 20 seconds or so.

DUTTON: Yeah. Break light in case of emergency and bring out WorkChoices. So that's a typical Labor response.

EMERSON: We know ...

DUTTON: Look, I think ...

EMERSON: ...it's in your DNA.

DUTTON: ...I think, David, what it shows is from the top down, there's complete division within the Labor Party. And the ACTU is just another example of the dysfunctionality of the Federal Government at the moment.

LIPSON: Peter Dutton, Craig Emerson, thanks very much for your time.

EMERSON: Thank you.

DUTTON: Pleasure.

LIPSON: We are out of time.