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Transcript
2CC Breakfast with Mark Parton
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E&OE

Subjects: Small business tax assistance, asylum seekers, election

PARTON: Round about this time on a Wednesday morning we catch up with Emmo, Craig Emerson. G'day Craig.

EMERSON: Hello mate, how are you?

PARTON: Not too bad. I don't know what to start with. I don't know whether to start with the press release you put out yesterday accusing Scott Driscoll of defending tax evasion by small business – wow!

EMERSON: He described the tax office program of cracking down on tax evasion in the black economy as public hangings. Now, Scott may not be aware but small businesses who are honest tax payers don't see the funny side of their rivals not paying tax and therefore getting a competitive advantage against them.

So if you're really barracking for small business, he should be barracking for a crack down on tax cheats because they do cheat on tax to get a competitive advantage against honest small business tax payers. And all that can do in the end is corrupt the tax system to the point where the honest ones say, 'Well how am I going to stay alive?' And go home in the evening and explain to the kids that we've got a bit of money through, to my wife or my husband, when I've got these other people knocking me off on price because they don't have to pay any tax.

PARTON: Yeah, look, I can still see, I mean Scott's trying to stick up for his members here, but it's not quite as black and white as he puts it. I don't think it's quite as black and white as you put it either.

EMERSON: Well, for honest tax payers, those who are struggling to pay their tax, are trying to and are viable, the tax office, on the other hand, has assisted 100,000 small businesses to pay their tax – not on time, because they can't, because of the global financial crisis – but they've been absolved of any obligation to pay penalty interest.

These have been negotiated with 100,000 small businesses in this country. These are honest people, they are trying to meet their obligations, but if they did on time then they might go out the back door. Now that, I think, is the right approach to small businesses which are struggling to cope with the global recession still. And we've just extended that by another year, at a cost of \$55 million to government revenue. We think that cost is well worth bearing, because we want small businesses who are trying to do the right thing to keep their doors open.

PARTON: Let's move on. Let's move on to your new leader, Julia Gillard. She's fixing all of this mess that was left by some guy whose name I can't remember, but among the problems, of course - asylum seekers. You're looking for a place for this asylum seeker processing centre – bit of a problem with East Timor, but the problem's of course been solved overnight because Nauru has put their hand up and said, 'You can just come back in here. We've got all the infrastructure. Problem solved.' Emmo, what do you think?

EMERSON: Well, we think a regional solution is the right way to go, not plonking people out in the middle of the Pacific Ocean -

PARTON: But it's already there; all the infrastructure is there.

EMERSON: I know. I know it's there. It was put there under the Howard Government, the so-called 'Pacific Solution', which actually resulted, by the way, in a lot of expense. You've got to get people to and from these remote locations -

PARTON: But you've already spent the money, so why would we spend it again?

EMERSON: It is not part of a regional solution to the asylum seeker issue.

PARTON: But does that really matter?

EMERSON: Yes it does. It does because we want to ensure that we remove the incentive for asylum seekers to get on rickety boats and make dangerous journeys and we believe the best way of doing that is to have the processing centre in the region in which people are travelling to Australia from Indonesia and other countries.

PARTON: But nobody wants it in the region.

EMERSON: No, well that's not been determined at all. There was a vote in the East Timor Parliament which was attended by less than half – less than half – of the members of that Parliament -

PARTON: But it was unanimous against it.

EMERSON: It was not a Government resolution. It was a resolution of the Parliament, and our officials have confirmed that both the President and Prime Minister of East Timor are interested in an ongoing discussion about the possibility of locating a regional processing facility in East Timor. So I wouldn't read too much into a vote of a Parliament that was not a Government motion, at which more than half the parliamentarians were absent.

PARTON: If Nauru had not been a part of John Howard's Pacific Solution, but the infrastructure was there, it's my belief that you and your government would be considering this much more favourably.

EMERSON: Well, no, that's just not right. I can only emphasise that we don't see Nauru as part of the regional area in which the asylum seekers are traversing. We think that working with the countries of the region where asylum seekers first lob after leaving their country or the country next door to them, is the way to go, rather than out there in the middle of the Pacific – which is a very expensive solution, even with existing infrastructure facilities there. You know, the cost of getting people to and from Nauru would be very, very expensive, and it doesn't constitute a regional solution to a regional problem.

PARTON: I was chatting to a good friend of yours earlier this morning in the form of Senator Eric Abetz.

EMERSON: Oh yeah. I get on alright with Eric. I'm sure he said lovely things about me.

PARTON: Well, I tell you, he didn't say some nice things about GetUp. He's not enamoured with that organisation. Have you seen their latest, they've got a parody ad that they've put out

regarding this asylum seeker policy of your leader's. You haven't laid your eyes on that, have you Emmo?

EMERSON: No. I've heard about it, I actually read about it – it's funny, isn't it, reading about a website – in the newspaper, but I don't think it's too complimentary to anyone, is it?

PARTON: It's not. And that's the discussion I was having with Senator Abetz, because he's saying, basically, that GetUp is an organisation that is backed up by union heavyweights and Labor heavyweights. It's all about pushing people to the left. But this ad was certainly not very complimentary of Julia at all.

EMERSON: Well, the point is, and I've made this point before – it is a great big democracy, and I don't mind that Eric Abetz has got a right to criticise GetUp; GetUp has a right to criticise the coalition, it has a right to criticise Labor. It is not the Labor Party, they run their own race.

One thing that they are doing though, Parto, which I think really is important, is encouraging young people to get on the electoral roll. And I think that's a valuable service. It doesn't tell them how to vote, not that they'd listen anyway, but it actually is important. If there is going to be an election, people should be able to have a say, and it would be a bad outcome for young people if they found that they weren't on the electoral roll and couldn't have a say in their very first election.

PARTON: And you'll be pleased to know that Julian Burnside has come out overnight too, and he is backing the Greens to hold the balance of power in the senate.

EMERSON: Well, maybe that'll happen, maybe it won't. But, we don't agree with Julian Burnside's description of people who express concerns and anxiety about asylum seekers arriving by boat as being rednecks or in any way racist. People in this country, Parto, have a right to hold a view and have a right to express a view. This is fundamental to our democracy.

And people like Eric Abetz and I will not agree on many things, but that is part of the strength of what goes on in this country, that sometimes we take a little bit for granted compared with other countries where free speech is restricted or even punished.

In our country, I think a robust political debate is a really good thing because people end up at least being better informed as a result of those robust debates, rather than being told what to think and other people not even being able to express a view.

It's a great country. We've got an election coming up, I don't know when -

PARTON: Yes you do.

EMERSON: I don't actually. I've got no idea.

PARTON: Oh come on, you must know!

EMERSON: You reckon Julia has just told her closest 1000 friends?

PARTON: I think you'd be much, much tighter than the closest 1000.

EMERSON: Well, I'd probably be in the first 500, I guess. But my point is, I don't know. But the thing of it is, it is a really good opportunity for people to be able to make a choice really on whether we go forward with Julia Gillard or take the country backwards with Tony Abbott.

PARTON: Good on you, Emmo.

EMERSON: Righto. All the best.

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