

INSIDE CANBERRA
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HON CRAIG EMERSON MP

MINISTER FOR SMALL BUSINESS, INDEPENDENT CONTRACTORS AND
THE SERVICE ECONOMY
MINISTER ASSISTING THE MINISTER FOR FINANCE ON
DEREGULATION

KING: So fuel prices are set to drop so we're promised, as Kevin Rudd drops by Cate Blanchett's hospital bed bearing a gift for her third son Ignatius Martin. Do you wonder what was in that present? Just a couple of issues I'm sure our politicians will have a view on this morning. Dr Craig Emerson, Small Business Minister in the Rudd Government. Good morning.

EMERSON: Good morning again Madonna.

KING: And Senator George Brandis, Opposition Attorney-General. Good morning Senator.

BRANDIS: Good morning Madonna. Good morning Craig.

EMERSON: Hi George.

KING: I think I'd better start with Barry Hall – seven weeks, was that fair?

EMERSON: Oh, I think it's a pretty appropriate penalty for a...

KING: Thump?

EMERSON: Fairly severe smack on the chin. He really knocked that guy out. I think the debating point, and it's a worthy one, though is that he'd be out for about that long with the wrist injury so, how severe that penalty is, in practice, on Barry Hall and on the Club is probably not so severe, but...

KING: Should it start at the end of his injury time?

EMERSON: Well, I don't know. I mean you'd have to have doctors in saying 'yes he's fit' and then you'd have the Club doctors saying 'oh, he's not fit, he is fit'. It would change all the arrangements there, but I think in rugby league they'd say it was a really good hit and...laughs.

KING: Oh, unfair.

EMERSON: I'm a league boy, but I'm not condoning belting the guy. It was really ... he did just that. I was absolutely astonished when he turned around to the umpire and said 'what? Ump, me?'

KING: That's what astounded me too, like, why are you staring at me? I wasn't even on the field.

EMERSON: Yeah, that's right, this guy is just faking it.

KING: George Brandis?

BRANDIS: Well I saw the TV footage of it. It looked like a pretty solid thump I must say and I think that if he's going to have a period of suspension it ought to be a real period of suspension and it should commence at the expiry of the medically caused period of suspension.

KING: That's pretty controversial. That mean's he'd be out for about 13 weeks. He'd only be playing for a few weeks.

BRANDIS: Well, you know, if you're going to have sanctions, and I don't want, you know, to be too censorious or puritanical about this, but if you are going to have sanctions against violence on the field. Don't forget these blokes are role models. Then they've got to be real sanctions. They've got to be sanctions that, hopefully, are going to send a message not only to the community, but have a real impact on the offender.

KING: What about the controversial suggestion of Craig Emerson's? That it's a punch that you're more likely to have seen on the rugby league field?

BRANDIS: I'll stay out of that one.

KING: Probably a wise...

EMERSON: Ask Johnny Raper and Kevin Ryan and people from the bad old days. That's what they used to do, but it is good that they're now clamping down on this and I think the penalty is well and truly appropriate.

KING: Big issue this morning is fuel and whether or not we will see prices down. Is this the panacea for our problems George Brandis?

BRANDIS: Well, I think it's a Mickey Mouse solution. Can I tell you, Madonna, that two years ago I chaired a Senate inquiry into petrol pricing and we went to Perth and we took evidence at that inquiry in relation to the Western Australian scheme.

KING: Yes.

BRANDIS: Which is the model that the Federal Government has now adopted. That scheme was not supported by the ACCC at the time. Their evidence was that it made no impact on the price of petrol and could actually make things worse and we actually heard of a case in Perth where somebody had been prosecuted for price cutting because that was outside the 24 hour

pegged arrangements. And I see Gary Fites, President of the RACQ, in this morning's Courier Mail is saying that he is very pessimistic and that what he fears is that it actually might force the price of petrol up, because I think our experience is that the more you regulate a market, the more you are inclined to force prices up.

KING: That does appear to be a genuine concern in some quarters at least this morning Craig Emerson.

EMERSON: George referred to the competition watchdog, the ACCC. They are strongly advocating Fuel Watch, the Western Australian system, and they argue that it gives plenty of information, called real-time information; that is, you can look it up on a website or get an sms and because the price is fixed for a full day, what the price is on the sms is the price you'll get at the bowser, rather than, and I think your listeners would have experienced this many times, seeing a lower price at a particular time of day, saying I must come back after I finish the shopping and fill up, and it's gone up ten cents. That won't be allowed to happen.

KING: What about the flipside of that? Senator Brandis saying there was a claim that someone could be prosecuted by reducing the price...

BRANDIS: Was actually prosecuted.

EMERSON: And plenty of people will be prosecuted if they put it up.

KING: And but what about, will someone be prosecuted though, they will be prosecuted if they go to drop the price in that period.

EMERSON: If you have a system where people can change the price within 24 hours, then it would be a strong incentive for people, some other people then to say well, I'll drop my price and then the whole system collapses.

BRANDIS: Inaudible...bad system.

EMERSON: Well, why is the competition watchdog so keenly advocating Fuel Watch to this Government? And it will allow people to shop around and I don't see what's wrong with a system that allows people to shop around knowing that the price that they see on their mobile phone, the sms or anywhere else is the price that will prevail and I must say...

KING: Even though they're not allowed to drop that price in that 24 hour period?

EMERSON: Well the system won't work if people are allowed to vary the price. That's the benefit of the certainty that people will have knowing that the price won't go up.

KING: What about the deductions people get early in the week now? Some people say they will no longer be on offer under this system?

EMERSON: Well that's not right. There will still be fuel price cycles and neither the ACCC, nor anyone else, contends otherwise. There will be the ability to buy on cheaper days, but you will have the certainty and I'm just astonished that the Federal Opposition, the previous Government, had never seen any merit in informing the people of what the price of petrol was at different service stations. Let's empower the people so they can make the decisions to get the right price at the right time.

BRANDIS: Well, let's empower the people Craig, and let's empower the people to purchase strategically which is the point Brendan Nelson said, made yesterday. Now look, you say the ACCC is also in support of this Western Australian scheme. Under the previous Government and, uh, in the Senate Inquiry, the ACCC's advice was to the contrary so perhaps they are, they are channelling their message to their new political masters. But be that as it may, what the effect of this will be is to flatten the price cycle and that may mean that the peaks won't be as sharp, but it also means that the troughs will be more shallow, which means that the opportunity for people to buy at the bottom of the cycle at a much lower price will be lost.

EMERSON: I arranged to talk to the fellow who did the statistical analysis on this. He says that, overall, he argues, this is the ACCC, that there would be an average price reduction of around 2 cents a litre. Now, we are not claiming that it will reduce prices, but that it is actually what the ACCC is saying.

KING: Are you saying it may increase prices?

EMERSON: No, I'm not saying it will increase prices, I'm saying it will give consumers, motorists, the opportunity to know where the cheapest petrol is and to buy the cheapest petrol. I think that's fair.

KING: Petrol may not be cheaper?

EMERSON: According to the ACCC, the economic analysis suggests that it will be 1.9 cents a litre cheaper. Now, that's not a claim that we are putting to the public. That is the independent advice of the watchdog, the ACCC. That's their argument.

KING: What's the Government saying?

EMERSON: The Government is saying we want to empower people to be able to shop at the right time for petrol and get the right price without having to turn up and find that it's gone up.

KING: Fred has a question for both of you. Why the Government doesn't legislate to stop petrol companies putting up prices between deliveries? If the petrol's already in the ground, shouldn't it stay at the same price?

EMERSON: Well, that cuts both ways doesn't it? You'd have to legislate for them not to drop price between deliveries and if you want to do that then you are really getting into a lot of price regulation.

BRANDIS: It's funny you say that Craig, because that's my argument about your overall new scheme. What you're doing, is you're legislating across the board to stop petrol stations dropping prices within a 24 hour period. What in effect...

EMERSON: Or raising prices.

BRANDIS: Indeed, and what, in effect, you are doing is you are trading the capacity for the consumer to shop strategically for petrol for certainty.

KING: Last short word on this issue.

EMERSON: Well the Opposition needs to state its position clearly. It's either for Fuel Watch or against it. This morning and yesterday they were saying 'well, we're kind of interested in it, but we're concerned about it'. Get off the fence George.

KING: One word, for or against.

BRANDIS: I agree with what Brendan Nelson said yesterday, the big drawback with this system is that the, early in the week troughs...

KING: But are you for or against it?

BRANDIS: Well, uh....

EMERSON: Neither! Laughs.

BRANDIS: No, no, no, no, I am against it. I am against it because I am convinced, and on the basis of the evidence that I saw as to the way the system operates in Western Australia, that it will not reduce the price of petrol.

EMERSON: Once again, you're out of step with your Leader and the spokesman on this George.

KING: Twenty three minutes past nine and moving on. Let's go to the Prime Minister Kevin Rudd. He made the announcement on petrol after dropping by our hospital to give a present to Cate Blanchett, or her new little one. Do you think he would have been welcomed? She's had a child two days earlier, it's her third son, you look up and who's walking in the door? It's the Prime Minister of Australia.

BRANDIS: Well, it wouldn't have just been the Prime Minister of Australia, it would be the Prime Minister of Australia with an attendant pack of press photographers and, you know...

KING: And security I guess.

BRANDIS: If the Rudd family are dear friends of the Blanchett family, then you could understand why that would have been the most natural thing in the world to do. But it's news to me that the Rudd family are so close to the Blanchett family that poor Cate Blanchett would have expected to see Kevin Rudd barging into the maternity ward with his phalanx of press photographers within 48 hours of giving birth. Poor Kevin can't resist a celebrity.

EMERSON: I doubt that she was unaware that Kevin was going to bob up. He brought a small gift along, he also explained to her that if she didn't feel up to co-chairing one of the sessions at the 2020 Summit on the weekend, that he would fully understand.

KING: His mobile wasn't working?

EMERSON: What's wrong with giving a mum a present? What's happening in the 21st century politics where you're not allowed to give a mum a gift?

KING: But was it a bit staged? The fact that there's pictures of him we see with this big box? We don't know what's in it yet? Do you know what's in it?

EMERSON: No, I don't. I have no idea but...

KING: What would you guess? What would he have got?

EMERSON: Well we might ask direct to your listeners after George and I'm finished.

BRANDIS: I suspect it may have been a very large framed photograph of Kevin Rudd.

KING: We're not going any further there. But great idea Craig Emerson. What do you think was in the box Kevin Rudd had when he delivered to Cate Blanchett? Give us a call this morning and let us know. 1300 222 612.

I want to go to a very serious issue next, Dr Craig Emerson and Senator George Brandis *Inside Canberra* this morning. The issue of mental illness and yesterday on this program the Opposition Leader, Dr Brendan Nelson, raised the idea of re-institutionalisation of our mentally ill. Families have a problem dealing with their adult children who are mentally ill. Police calls out to these violent episodes don't know what to do, our hospitals can't cope with them. Should we reconsider this? De-institutionalisation, consider it a failure and go back to the drawing board?

BRANDIS: Well I confess it's not an issue I know a great deal about but I think we know this much. As in all areas of clinical care, there are periods in which there is a, the body of professional opinion favours a particular mode of

treatment and then as there is more and more experience is learned from that mode of treatment, often professional opinion is revised.

KING: That's just political speak.

BRANDIS: No it's not, no it's not. I mean, in any clinical situation we know whether it's mentally ill people or people suffering from a physical disease that doctors and clinicians do favour particular sorts of treatment at different times and then as they learn more and more about the way in which that treatment works, they revise and adjust their views about the suitability of that treatment. Now I think what we've seen in the mental health field is a debate as to whether or not we went too far with de-institutionalisation over the last fifteen or twenty years. There are very practical things as Brendan said on your program yesterday; issues like, for example the supervision of taking medication for example, which is very difficult to ensure in an environment in which a mentally ill person perhaps without adequate family support or care is in the community, but of course isn't such a problem in an institution. Now, I don't think there's a hard and fast answer to this but I don't think there's anything particularly strange, particularly coming from an experienced doctor like Brendan Nelson, in saying that a particular mode of care which had been very much in vogue in recent years was being reconsidered.

KING: I think his suggestion was taken with gravitas in a sense because he has clinical experience as a doctor and has raised a debate that some people are saying is a stupid idea, some people at their wits end are saying, look let's give it another try. Craig Emerson, how do you think?

EMERSON: Madonna of all the questions since I've been on this program that I've had to answer, and I know how much you hate politicians sitting on fences, this is probably the toughest. I don't have a clear view on it. Again, I am a doctor, but certainly not of medicine. I respect Brendan Nelson's qualifications. He would not be making these statements if they were just politically motivated. That's the last thing that I would assert. I think it is really tough, but I am reluctant to go back to the old days of mental asylums full of people who could actually function in the wider community.

KING: It's a big issue isn't it?

EMERSON: It is.

KING: Another big issue we looked at in the last couple of days was euthanasia. Clem Jones, former Lord Mayor, left \$5 million to fight for it. Can I just get you to listen to this, just for a moment:

We call ourselves a humane society, if we've got a suffering animal that is not going to continue to have any quality of life, we will have it put down, but when it comes to another person because religion says that it's wrong, we will leave that person to lay there in an incontinence pad relying on everybody to be fed, bathed, changed, lose all dignity in oneself.

I've lost my mother-in-law with Alzheimer's and you've seen go from a lovely lady to an absolute vegetable. It is absolutely soul-destroying. Until you see that, as a son-in-law I have to change her nappies when we're out. You know for the last six months of her life, she never knew who the hell she was, where she was. She didn't know us for the last twelve months of her life. Oh mate, she didn't even know a butterfly from a flea.

And he would sit there on the edge of his bed and cry. Now we've never seen our father cry. But he would really sob his heart out.

My nan was put into a home four years ago and during that time, every visit, she asked me to end her life. The sorrow in her face and the tears in my eyes, I just couldn't, for the last six months I couldn't visit her.

KING: Craig Emerson, you said before you've been doing this program for a long time and that was the first time you sat on the fence, when it came to mental illness. I stopped in my tracks after hearing those calls and thought it's easy to sit here behind a microphone and say euthanasia's good or euthanasia's bad, but until you actually walk in those steps, it's a very, very difficult decision.

But do either of you support a debate on euthanasia in our community?

EMERSON: Well, I'd better say now that the mental illness debate is the second toughest issue that you've raised on this program. This is a really tough one. I actually, personally, don't support euthanasia.

KING: For religious reasons?

EMERSON: Partly for religious reasons, the taking of a life and I know a lot of your listeners would then immediately say well what does he know. So look, I think a debate in a democracy is well and truly appropriate. There are just heart-rending cases here, but personally I don't support it.

KING: George Brandis?

BRANDIS: I've got very serious moral misgivings about the deliberate taking of life and, but you know in saying that, of course one needs to be very respectful of the suffering and the sensitivities that you could just hear in the voices of the callers that you broadcast a couple of moments ago. For me, the issue is this. If you in a given set of circumstances empower a family or, with or without the participation of doctors, to terminate a person's life, how can, it seems to me then that you open up this question about whether life can be given or taken by other human beings and with all due respect to the gentleman who spoke first, I just can't come at the comparison between human beings and animals who are being put down.

KING: A pretty tough topic and we've probably got through half of what we were going to today. I appreciate very much your time. And so you can both end with a smile on your face. Well at least George Brandis will, I think, suggestions in that box that Kevin Rudd took into Cate Blanchett. Robin from Mt Gravatt says a lot of hot air and Dianne from Collum, a 30 day introduction Mandarin for Beginners.

EMERSON: There you go. I look forward to more suggestions.

KING: Craig Emerson that's your way of saying you look forward to better suggestions.

BRANDIS: Thank you very much Madonna.

EMERSON: Thanks a lot.

KING: Dr Craig Emerson, Small Business Minister in the Rudd Government, and Senator George Brandis, Opposition Attorney-General, and they'll be back at the same time next Wednesday. But what about their views today; did it make you change your mind on anything from fuel particularly, which got a little bit firey? Mentally ill and euthanasia, two big issues and it shows that even our politicians, the people that make the laws, struggling with that one.