



THE HON DR CRAIG EMERSON MP
MINISTER FOR TRADE

Transcript
ABC Country Hour

18 August 2011

E&OE

Subjects: New Zealand apples.

NIKOLAI BEILHARZ:

The Federal Government is warning that the Opposition Bill to block New Zealand apples could start a trade war.

Trade Minister Craig Emerson says that if the Opposition's Bill passes, New Zealand could retaliate by introducing tariffs.

CRAIG EMERSON:

Well, this is now a very vexed issue, because Mr Abbott has allowed his Shadow Minister for Agriculture to proceed with a Private Member's Bill that would overturn the decision of the Gillard Government and the decision and ruling of the World Trade Organization on this matter; therefore, opening up Australian farmers to

retaliation by New Zealand, with the capacity under the rules by the New Zealand Government to apply import tariffs of up to 100 per cent on Australian farmers, who would be innocently caught in the crossfire of a potential trade war.

NEIL OCKENDEN:

That legislation, I think, is due to be introduced on 22 August. How likely is it to pass the House?

EMERSON:

This is a matter for the Independents and it's a matter for the Green Member of the House of Representatives. I can't read their minds. It would have no prospect of passing the House of Representatives if it lacked the support of Tony Abbott, who likes to tell some audiences that he's in favour of free trade, when, in fact, he's not. He is not in favour of free trade; he is not in favour of markets. He's in favour of thumbing his nose and rejecting a ruling arrived at by the World Trade Organization in a long-running dispute between our two countries.

OCKENDEN:

How worried are you that one of the first New Zealand packing houses, which will export apples to Australia, has had fire blight in its orchard?

EMERSON:

I take the advice of Biosecurity Australia, as does the Government.

The decision of the World Trade Organization was brought down in November of last year. It's now August of 2011. That time has been used to put in place those quarantine and safety measures that are needed in order to keep disease out of Australia. But the truth is, the decision is not designed to keep apples out of Australia, it's designed to keep disease out of Australia.

Apple farmers export apples, but they are not the only people who export produce from this country. Sixty per cent of agricultural produce produced in Australia is exported.

We are now, if this Bill goes through, extremely vulnerable to retaliatory action. Why doesn't Mr Abbott care about the producers of beef, of sheep meat, of vegetables, all sorts of horticultural products, of sugar? Why does he not care about those farmers whose livelihoods will be threatened if Mr Abbott's bill passes?

OCKENDEN:

Have you spoken to your counterpart in New Zealand as to what the New Zealand Government would do if such legislation does pass?

EMERSON:

I have left a message for my counterpart, and my counterpart may or

may not have something to say about this during the day.

OCKENDEN:

Where will the apples be sold if they are brought into Australia? Coles and Woolworths this morning both said they won't stock them and they're quite happy with the Australian apples. So where will they be sold?

EMERSON:

Well, we are accepting a decision of the World Trade Organization; we're not an apple marketing authority. And if it is true that no-one in Australia will buy New Zealand apples, then that's a matter for consumer tastes.

What we are doing is adhering to a decision arrived at by the independent umpire, the same umpire that we use when we take action against other countries that seek to apply unfair penalties on our agricultural exports.

Australia wants to be part of the world trading system with its world trading rules because we export a hell of a lot more than we import, and we want to be able to take action against countries that impose unfair restrictions on our exports to their nations.

But we can't have it both ways. You can't say, 'we want to apply rules that we will reject when those rules are

applied to us'. That is just not the way it works. And Mr Abbott knows that, but he is imperilling the livelihoods of Australian farmers just to harvest a few votes. And so much for his commitment to markets and free trade. He doesn't care about that at all. All he cares about is trying to grab a few votes here and there.

NIKOLAI BEILHARZ:

Federal Trade Minister Craig Emerson talking there to Will Ockenden.

Now, the ABC called the New Zealand Trade Minister to see what could be done if ...well, what would be done if the decision was overturned. We're yet to hear back.