



THE HON DR CRAIG EMERSON MP
MINISTER FOR TRADE

Transcript
2CC with Mark Parton
31 August 2011

E&OE

Subjects: Libya, manufacturing industry

MARK PARTON: We go to Dr Craig Emerson, who is the Trade Minister and Acting Foreign Minister, in what is a pretty exciting time for Libya which I mean I guess you could say, Dr Emerson, is about to emerge as a completely new country.

CRAIG EMERSON: Well I think so and I'm going to Paris very shortly after this program, Mark.

PARTON: So I believe. I was wondering how you were going to get there in time.

EMERSON: I'll get there. I don't think they'll wait for me but I'll get there. It's the Libya Contact Group and it's being chaired by UK Prime Minister David Cameron and Mr Sarkozy of France. So it's a very important meeting and it's a meeting with the National Transition Council of Libya, which is really the rebel group, to ensure that Libya's humanitarian needs are met. They've got problems with water, as you would after all the conflict that's occurred, and we want to support them as much as we can and help make that transition as quickly as feasible to a democratic system.

PARTON: What's the status of their diplomatic representation here in Australia?

EMERSON: Well they have a diplomatic representative who we recognise so that's good.

PARTON: Does he know who his boss is at this stage?

EMERSON: Yes, he does and he's on the side of righteousness in all of this. We do want obviously Mr Gaddafi to call off the remainder of his supporters. There's no need for more bloodshed, there's been horrible bloodshed and evidence of torture, almost indescribable acts, so we really need to support the people of Libya and that's what I'll be doing representing the Prime Minister as Acting Foreign Minister. And if I could pay tribute to Kevin Rudd, our Foreign Minister, because he was instrumental in pushing for a decision to get a no-fly zone established over Libya.

PARTON: On matters closer to home, Julia Gillard is facing a possible caucus revolt we're told over her refusal to hold an inquiry into the future of manufacturing. I've got to say I think in so many of the things I've seen on this in the last three days that she appears out of her depth. As does Tony Abbott. No one seems to know what it is that we're doing to save manufacturing in this country and no one wants to offend anybody so we just don't seem to be getting anywhere.

EMERSON: I think it's important to reaffirm our commitment to an open, competitive economy, while at the same time understanding that manufacturing is under a lot of pressure from the high exchange rate. That itself is a vote of confidence in the Australian economy because money is flowing into Australia: \$430 billion of investment in the pipeline or on the drawing board. But that does hurt our manufacturing sector that very high exchange rate. We are implementing some policies there to support manufacturing to help boost its competitiveness but we're not going to turn the clock back 30 years, Mark. And I remind your listeners, those who were around at that time and those who weren't, that at that time manufacturing had very high protective tariff walls and other restrictions on imports and yet it was almost on its knees and the steel industry was set to close in Australia. So it was our move to an open, competitive economy and supporting that transition for manufacturing – it kept the show basically alive and moving forward.

PARTON: But what's going to happen here because there's a bunch of forces within your party who are not all that happy with the direction you're heading. Will there be a caucus revolt here?

EMERSON: Look I think there's no problem with people discussing these matters in caucus, but the view that the PM is taking that I share is that we could spend a lot of time on an inquiry and wait and do nothing in the meantime, or we

can do whatever we can to support our manufacturing industries who must be very exasperated by the fact that they have worked in the open, competitive economy to be efficient. They work hard and then the high exchange rate comes and belts them. So we understand that and there are some policy measures that we can take but they don't include turning the clock back 30 years, which it seems is what Tony Abbott wants to do. He's Australia's first free trading protectionist.

PARTON: Just be careful. Don't get Paul Howes offside, mate. That can be a very dangerous thing, all right.

EMERSON: Well what I'm interested in is policy and I think people recognise it's my passion, policy for the Australian people, I'm not too fussed about personality politics. Paul and I actually get on quite well. You might not believe that but it is true. But we do have our differences from time to time and we wouldn't be the first couple in Australia's history to have policy differences.

PARTON: Craig, you better get to the airport, I better get to the news. Thanks for coming on.

EMERSON: Okay mate, all the best. Bye bye.