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MINISTER FOR TRADE

Transcript
Sky News AM Agenda with Kieran Gilbert
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E&OE

Subjects: Opening of Parliament.

GILBERT: Good morning and welcome to AM Agenda, as we await the opening of the 43rd Parliament of Australia. The Speaker will be elected. The MPs will be sworn in, including the first MP to take the oath on the Koran, Muslim MP Ed Husic, and the first Indigenous Member of the Lower House, Ken Wyatt. Of course, this Parliament is going to be one where the independents continue to carry enormous influence.

[excerpt from Tony Windsor]

There's an enormous opportunity, with 72-all here, for everybody to be constructive. And I think we all may well see a bit of that, once the argy bargy over the speaker and some of this other stuff is out of the way.

GILBERT: Joining me this morning on the program, the Shadow Minister for Innovation, Sophie Mirabella, and the Minister for Trade, Craig Emerson. Good morning to you both.

The opening of the 43rd Parliament – a big day ahead – Sophie, we heard about this kinder and softer way of doing business here, it doesn't sound like that has lasted too long, does it?

MIRABELLA: I think there's always a place for civility and manners, whether it's in Parliament or elsewhere in the community. Of course, that should be the standard; that should be the basic standard. What the Australian people want, and what the job of an opposition is, is to ensure that the government is the best possible government it can be. We don't have a political system where there is one political party and that is it. We have two major political parties, and the one in opposition keeps the government in check. After all, it was Julia Gillard who said 'draw open the curtains, let the sun shine in. This will be the most open, the most transparent, the most accountable government in living memory.' And that's what we will do. We will keep her to her word, and we will support good policy – as we have in the

past. During the last Labor Government, where there were good economic reforms that were in Australia's interest, we supported them. We have form on that, and we will do that again. That's, remember, in stark contrast to the Labor Party, who really objected and obfuscated every single reform. They did not support every single reform that we tried to introduce that was in Australia's best interest.

GILBERT: Well, Craig, that sounds fairly reasonable, and it looks like, from the initial signs that we've seen from the Coalition, that they will provide pairs for Ministers and so-on, if it's in national interest, of course. We've got the parliamentary delegation into the canonisation of Mary Mackillop for an example. Two Labor figures going, two Liberals will be attending as well, so that won't be an issue. But it looks like the Coalition, at this stage, is going to be reasonable about this. Is that sense that you're getting?

EMERSON: Oh, I think there's some mixed messages coming out from the Coalition. Let's see how it unfolds. I don't want to make a pre-judgement about pairing arrangements. I do note that Warren Entsch, the Opposition Whip, had indicated that it won't necessarily be the case that there would be pairing in relation to overseas travel by the Foreign Minister and myself as Trade Minister. I don't expect to be paired if it's a non-essential trip, but if it's a very important trip in the national interest I would hope and expect to do so. I will try to travel outside of parliamentary times, but we don't necessarily set all of the international timetables for trade negotiations, for example.

As to whether it will be a kinder and gentler Parliament – I hope so, but I'm not all that hopeful at the moment, because Tony Abbott has torn up a major agreement, and that is on parliamentary reform. Something that he signed and wrote it down, and it was gospel truth, but it didn't last for very long.

GILBERT: Did they say that ... if we just address the issue now before we move on: the Speaker, they say it's constitutionally unsound, and the argument being that the Speaker would essentially get more than one vote. They'd have the deliberative vote in the first round, and then also have the casting vote; and that's almost giving the Speaker too much power in terms of their individual vote.

EMERSON: Well, it would have been a voluntary arrangement, and that was the basis upon which it was negotiated – that there would be a voluntary pairing. Tony Abbott has repudiated that. I think the problem is that, I agree with Sophie, it is absolutely right to bring a government to account and to expose any weaknesses of the government. That's our parliamentary system. It's called an adversarial parliamentary system. And it amuses me sometimes when I hear people saying, 'oh it's very adversarial'. Well that is the nature of the parliamentary system. I hope that the Coalition will support the policies that are in the national interest. But I do also hope that the Leader of the Coalition gets over the sulking phase, where he seems to be saying, 'well, the Australian people got it wrong, they should have elected me.' And he certainly is presenting as a wrecker ...

MIRABELLA: That's not actually what Tony Abbott said.

GILBERT: Is Tony Abbott sulking?

MIRABELLA: Absolutely not. He's on fire, because he has held this government accountable. We went to the election, we stood our ground. We stood for very clear messages of stopping the taxes, stopping the boats, ending the waste. They are our messages. We got extraordinary support – more votes than the Labor Party. And we now have a first-term Labor government in a minority situation. We will do – what we have done in the past: we will support good policy. But, if the Labor Party was expecting us to enter into a voluntary agreement to ignore the Constitution and potentially put legislation that is passed under that system in doubt and challengeable in the High Court – we would not do that. If you want to look at who has torn up bedrock election promises, that is Ms Gillard who said, 'there will be no carbon tax.' She ruled it out ...

GILBERT: There's also a different set of circumstances in which we find ourselves and they're obviously having to work with other groups, aren't they?

MIRABELLA: Working with other groups is one thing, but I have not seen a single disagreement between Ms Gillard and any of the policies put forward by the Greens or the Independents. Now, if the Labor Party is saying, 'we will do anything and compromise any single one of our policies or principles of good government, or principles of good economic management, just to hold on to power', well that's very disappointing.

GILBERT: Well, you've known for quite some time that Labor has planned to put a price on carbon, and they tried to put it through twice in the last Parliament ...

MIRABELLA: But Ms Gillard has told the Australian people that she was ruling out a carbon tax. Now, if it means she is now beholden to the Greens, and they control the agenda on what we do about emissions and environment policy, she should say so. You can't say one thing during an election campaign, and at the first turn, roll over.

GILBERT: It was point blank, wasn't it? She did say 'I rule out a carbon tax under a Labor Government'. Two weeks later, it's back on the table.

EMERSON: We have said that we are interested in building a community consensus about putting a price on carbon. That's what we've said. And the committee that's been set up is not just a Labor-Green committee ...

GILBERT: So, was it ill-advised for her to say: no carbon tax? Because that's what it was, it was ruled out. Wayne Swan did the same: no carbon tax.

EMERSON: We are looking at putting a price on carbon. That's the reality. But we're going to use this committee – which is not a Labor-Green committee in isolation; it's a Labor, Greens, Independents, and an open invitation for two members of the Coalition to join that committee – to build a

committee to create a community consensus about putting a price on carbon, to work on that particular policy. It's a pretty open and transparent process. The invitation is there for the Coalition to join it, so let's not have your viewers believe that this is some sort of closed Labor-Green committee. The Coalition can join it. I'm a bit pessimistic about that, because Tony Abbott believes that climate change is absolute crap.

GILBERT: We'll have a look a bit more at the committee a bit later, but first let's take a look at the make-up of the Parliament. The Deputy Speaker, Sophie, a couple of the Liberals have been ... well, Alex Somlyay first of all agreed with Labor that he would support them on confidence and supply bills, then had a change of heart on Saturday. What are you hearing? Is Peter Slipper still a prospect, or is he saying no?

MIRABELLA: The Coalition is united and very excited at the prospect of playing a very important role in holding the government to account, and doing its best for the Australian people in getting the best possible government that we can. I have spoken to both these gentlemen, and they have both ruled it out. It's not an issue. It's not our job to help Ms Gillard make administrative decisions to help form government. We are here to be constructive when it comes to policy. We're not going to be door-mats and be compliant and do the administrative parts of forming government ...

GILBERT: Were you surprised that these gentlemen were considering the offers?

MIRABELLA: I'm not surprised that the Labor Party approached them. I'm not surprised at all, because they will say and do anything to grasp onto power and to hold on to government. I have every confidence in the members of the Coalition that they're not going to enter into any agreement to breach the Constitution. That's just silly, it's irresponsible, and both these men are men of honour, and I've spoke to them both and that's the end of the situation. It's now up to the Prime Minister to ensure that she enters into administrative arrangements and that she has people in positions that will ensure that the Parliament does work.

GILBERT: Are you hopeful of luring a Liberal defector still? Because, certainly, that's still been the aim thus far, hasn't it?

EMERSON: We do live in a strange world, don't we, where Sophie, on behalf of the Coalition, is outraged about the possibility that a Coalition MP might be the Deputy Speaker.

MIRABELLA: I didn't say that I was outraged ...

EMERSON: I can imagine other worlds where the Coalition says, 'well, why can't we have the deputy speakership?'

MIRABELLA: We're happy to have the Deputy Speaker, but we're not going do that at the cost of breaching the Constitution. There's one thing being cooperative, it's another thing saying that in this special circumstance,

because Labor lost majority, we're going to be complicit in breaching the Constitution. It's not what we're going to do. No matter how hard I try, we're not going to do that.

EMERSON: Sophie, can I have a little crack here? You make your own decisions. There'll be a vote in Parliament. I'm not predicting or forecasting any drama. These things will be sorted out on the floor of the Parliament today, so we'll know who the Speaker is. Labor is nominating Harry Jenkins for the role of the Speaker, and we'll see who the Deputy Speaker is. But I really do call on Tony Abbott to not continue these wrecking tactics that he's deployed; where he's happy to tear up agreements; to say that the Independents before the government is formed are patriots and then to just withdraw that and say that they are just Labor lackeys. Well, let's see if this really is a kinder and gentler Parliament. I'm quite happy to accept your assurances, Sophie ...

GILBERT: Let's look further at the issue of the climate change committee. Sophie, last night on the ABC you described it as Marxist. Tell us why.

MIRABELLA: Well, when you have a committee where a prerequisite for membership is that you have to believe in a predetermined outcome, you have to believe in a carbon tax, that is not a democracy at work. That breaches the one hundred and ten year tradition of parliamentary committees that we've had. So it's not an open government, it's not a transparent government. It's saying: you cannot sit on this committee unless you agree in a specific solution to reduce emissions, and that is a carbon tax. They're not saying you have to agree on the reduction of emissions. We do that. We've got a policy. It's a direct-action plan on policy to directly tackle the reduction of emissions. This government has said, "you must believe in our way or the highway", that is not democratic. That is contrary to how committees have operated.

GILBERT: Yeah, well, let's get Craig's response to that, because to be a part of the committee, you've got to sign up to the, you know, subscribe to the agreed outcome before the committee even begins, and that is a price on carbon. Why not have the dissenting view?

EMERSON: Because we do need to move on it. We know that Tony Abbott believes that climate change is absolute crap, so if we have his delegates on the committee, they will just spoil and wreck in the Tony Abbott modus operandi. What we need ... and if say Malcolm Turnbull, who does actually believe that there needs to be a price on carbon through an emissions trading system, were to come on to that committee, I'm sure that he would be welcome. Other members of the Coalition might also have a view that there should be a price on carbon. Tony Abbott doesn't. If it's all organised the way I think Tony Abbott would, he would say that the only people going on it are the people who don't believe in climate change.

GILBERT: Why the confidentiality agreement? The confidentiality clause, there's an element in the terms of reference that says the discussions,

the deliberations, have to kept behind closed doors. There are some really important documents that are going to be put forward before this committee, like Garnaut revising his analysis.

EMERSON: It's a Cabinet-level meeting and there will be important material put in front of that committee. But let's bear in mind that the committee will reach out to the community. I mean, it is talking about building a community consensus or finding a community consensus about putting a price on carbon. So don't believe the Coalition's rhetoric that this is some sort of closed-door committee whose operations no one will see. Just as in other Cabinet discussions, or Cabinet-level discussions, obviously there will be sensitive economic material from time to time, and other material, that's how it should be. But it will not be a closed-door committee. It actually will reach out to the community.

MIRABELLA: This is absurd double-speak. Craig did not answer the question. It is a fact that you cannot be a member of this committee unless you subscribe to a particular solution, to some form of carbon tax. That is a fact. You use the word transparent – you have no shame in absolutely misrepresenting the facts ...

EMERSON: I'm not misrepresenting the facts at all.

MIRABELLA: This committee is going to operate in secret. It will not release documents. That is not transparency Craig.

EMERSON: Some secret committee – that reaches out to the community and seeks their views.

MIRABELLA: What it will do is ...

EMERSON: Make it up as you go along, Sophie.

MIRABELLA: What the committee will do is what a lot of other Labor committees do and that is go through the motions, the pretence of community consultation, while the real decisions get made behind closed doors by a group of people who have already determined what the outcome is going to be. That is farcical.

EMERSON: So it was, a moment ago, a Labor-Green committee, now it's a Labor-only committee. This is the problem. I mean, I'm happy to be brought to account, but let's stick to the facts. This is Labor, Green, Independents, but so far, no Liberals.

MIRABELLA: The government is not interested in consensus. The government is only interested in a particular outcome.

GILBERT: Your party believes there should be a price on carbon.

EMERSON: Exactly.

MIRABELLA: Our party has –

EMERSON: But they won't get in on the committee?

MIRABELLA: Our party has a very definite, a very successful, a very popular policy of ...

EMERSON: That climate change is absolute crap.

MIRABELLA: No, you're wrong Craig.

EMERSON: That's what Tony Abbott said.

MIRABELLA: Our policy is direct action on climate change. Now the government won't even countenance that. Now, that shows you that they are disingenuous, about not only being inclusive and reaching a consensus, but they're not genuine about being open and transparent.

GILBERT: There are a number of your colleagues that believe that the debate has been had on the science and the price on ...

MIRABELLA: We do have a policy, a policy on direct action on climate change. And, Craig, you haven't answered the question: why won't this committee be open and canvass direct action on climate change? Why is it so doctrinaire that you have to believe in increasing electricity prices? Because this is Ms Gillard's policy on increased electricity prices. We will not subscribe to that, and we will want direct action and we will get that. Tony Windsor has said he's concerned as well about the increase in electricity prices ...

EMERSON: It's not a question, it's a speech.

GILBERT: Craig, what's your response?

EMERSON: Tony Abbott's trusted lieutenants on this committee, who believe that climate change is absolute crap - I think you made the point, Keiran, that almost had Sophie agreeing with you, that we've moved beyond that. But Tony Abbott's core, fundamental belief is that climate change is absolute crap. If he exercises the absolute discipline over his troops over recent weeks, then they will not be able to participate on the committee unless and until they agree with him and say that climate change is complete crap, and he will wreck the deliberations. What we want is people on the committee who will come from the Coalition in good faith and not be stood over by the Leader of the Opposition the whole time, who fundamentally believes that climate change is complete crap.

GILBERT: Well, you both have to go soon for the welcome to the country, for the opening of Parliament. Just one quick issue before we go - we've only got about a minute left before you have to go, and I know your staff will be knocking on the door to get you out - but the Budget report, it's in the SMH, it's from Access Economics Australia and it says the Budget will be back in deficit a year after 2012-13. So you bring it out of deficit, back into surplus and it's five minutes of sunshine and then it's back into deficit.

EMERSON: It does confirm, by their analysis, that the Budget will be back in surplus in 2012-13 - which is what Labor has been saying. Which would mean that we are the first major advanced country to bring the Budget back into surplus. Second, these are based on Access Economics forecasts of commodity prices. We are relying – as we should, as we must – on Treasury forecasts of commodity prices which do not assume that commodity prices will keep going up – or even that they will be staying the same.

GILBERT: (inaudible)

EMERSON: I'm saying that we rely on Treasury forecasts. What the Coalition does is get an accounting firm – and this is no disrespect to Access – but Budgets are put together on the basis of Treasury forecasts, not Access Economics, not accounting firms.

GILBERT: Sophie, just quickly before we have to wrap up.

MIRABELLA: We did warn them during the election campaign that their figure didn't add up. We warned them of the over-optimistic forecast ...

EMERSON: What about the \$11 billion black hole in your projections?

MIRABELLA: We did warn them of their over-optimistic forecasts and now we found out that they were correct. And another thing on the climate change committee ...

EMERSON: Oh, we're back!

MIRABELLA: It has been deliberately designed to ensure that no Liberal, because we have a policy on real action on climate change, can sit on the committee. That was a deliberate tactic by Ms Gillard to ensure that.

GILBERT: Okay, well, enjoy the welcome to country, both of you, the opening of Parliament. Craig Emerson, Sophie Mirabella, great to see you both.