



THE HON DR CRAIG EMERSON MP
MINISTER FOR TRADE

Transcript
Sky News AM Agenda with Kieran Gilbert

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Subjects: polls, leadership, asylum-seekers, steel industry assistance, carbon pricing.

KIERAN GILBERT: Let's go to the Trade Minister now, and the Shadow Environment Minister: Craig Emerson and Greg Hunt.

Gentlemen, good morning to you both.

GREG HUNT: Good morning.

CRAIG EMERSON: G'day.

GILBERT: Craig, this shows it's more than just personalities, doesn't it, with the Government? It's key electoral issues as well, where the Labor brand's just crumbled.

EMERSON:

Must be a day ending in A.Y; we're talking about opinion polls again. I think a legitimate criticism in the past, by this program and other media outlets of governments of both political persuasions, is that they govern for the short term; they're poll-driven; they're populist. Well, what we're doing is governing for the long term, putting in place the necessary reforms. And we don't roll out of bed every morning, check the opinion polls and then say, 'well, we better do what the opinion polls tell us to do'.

That was the basis of criticism over a number of years. I think that criticism was fair enough. The people actually do expect governments to make the hard decisions.

We're not making decisions on carbon pricing because of the heck of it - because it's fun. We're doing it because we believe this is a fundamentally important long-term reform.

GILBERT:

But you're worried. You've been around politics for a long time.

EMERSON:

I have.

GILBERT:

And to see all of those issues like education, and health, and even the economy ... you're a minister in that

area, and you travel a bit. You know the economy's doing well comparatively, but the electorate's giving you no credit for that.

EMERSON:

Well, I'm not concerned, for these reasons: that there isn't going to be an election next weekend, which is what the question poses to interviewees, to respondents. We will implement the necessary reforms to secure this country's future. And that means taking hard decisions, and it means consciously being aware of the possibility being realised that that can be unpopular.

But the Australian people do expect governments to make decisions for the long term. And it's not only media outlets that criticise governments for being short term. If you talk to people in your own electorates, they will say, 'stop being obsessed about electoral cycles and opinion polls and get on and make the necessary decisions'.

GILBERT:

Your leader, even though the Government's so unpopular at the moment, he's still unpopular. What do you put that down to?

HUNT:

Well, firstly, in terms of the overall position of the Government, the people feel betrayed on the carbon tax, and

they feel that there's no confidence in the government on any of the issues.

Generally, we think that Tony is doing an extraordinary job. He has been the most successful person in Australian political history in turning around the fortunes of an Opposition. And right now, we are moving into the next phase of presenting as an alternative government.

But let's make this clear: we have said to the Australian people we will build a contract with middle Australia. We will protect their standard of living and we will provide a way forward.

They feel they've been betrayed by the Government on the carbon tax and they have no confidence in what's clearly a government in deep disarray on everything else.

GILBERT:

The numbers have caused speculation and chatter. We know that within the Labor ranks - people say it's the media, but obviously it emanates from something - and that is within the Labor Caucus there's nervous marginal seat-holders and others.

Graham Perrett today, the Member for Moreton in Brisbane, says - he's obviously sick of it - he's threatened to

quit the Government. What do you make of his comments today? If ... he's threatened to quit the Government if there's a change of leadership.

EMERSON:

Well, this is what I make of it: that there won't be a change of leadership, so no-one need to be concerned about that.

Julia Gillard is doing a fine job as the Australian Prime Minister; doing exactly what I described to you a moment ago, and that is governing for the long term. She will be the leader at the next election. And Graham need not worry, nor need anyone else worry, about a change of leadership because there won't be one.

GILBERT:

Is he being unhelpful with that sort of comment? Anthony Albanese, the Leader of the House, took a bit of a whack at him this morning. He says, if he ... it's a funny way to try and quell speculation that you come out and threaten to quit.

EMERSON:

Well, look, I don't want to dwell on it. Graham said what he said. But I can be absolutely definitive about this: and that is, Julia Gillard, because she's making the hard decisions, obviously that is reflecting in the opinion polls. But let's not obsess about the opinion polls. And in terms of contracts with the future for

the Coalition, let's just hope it includes explaining how they're going to fill a \$70 billion black hole. And if this contract is a repeat of "I will give you a rock-solid, iron-clad promise not to change the Medicare safety net", which Mr Abbott immediately did after the election, then it's not worth the paper it's written on.

HUNT: Now, I just see something on Graham Perrett: another day, another round of instability. I think the Government of Australia, and that's the real point, the Government of Australia is becoming a circus on a daily basis.

GILBERT: Well...

EMERSON: Gee, that's a profound comment.

HUNT: Well, it's ... unfortunately, it's utterly true.

GILBERT: Craig, but...

HUNT: Each day there is a new round of leadership speculation, and this Government is descending into farce. It's descending into something of chaos.

GILBERT: Well, let's ask Craig Emerson a question about the thing ... I want to move on from this and get to the issues. But just as an individual, you didn't want

the change in the first place. Is .. are you fearing that we're seeing the same thing again: that people are destabilising and you're going to end up...

EMERSON: No, I'm not.

GILBERT: ... where you were?

EMERSON: No, I'm not.

GILBERT: Because I remember talking to you on the day when it all happened. You were sticking with the incumbent and it ... and, you know, history tells us...

EMERSON: Yeah, I have...

GILBERT: ... that there were some mistakes made obviously.

EMERSON: I have a history of supporting the leader. In fact, I've supported the leader on every occasion. And I support Julia Gillard as leader, and as a person who's doing a fine job.

GILBERT: Do you feel like telling your colleagues, you know: "I told you so - don't make the same mistake again"?

EMERSON: Well, I fundamentally believe that we shouldn't engage in New South Wales-

style merry-go-round politics. I've always believed that. I think the [laughs] ... I think the proof of that pudding was in the eating at the last state election, when they thought, 'oh, we'll fix all our problems by changing the leader'. And they went through about three of them, and the people delivered their verdict on that very action; on that very action.

GILBERT:

Well, let's look ... let's take a quick break. We'll be right back and get through migration and carbon tax. Stay with us.

[Unrelated items - advertisements]

GILBERT:

Welcome back to the program. You're on *AM Agenda*. With me, Craig Emerson and Greg Hunt.

Let's look at the issue of the changes to the Migration Act. Anthony Albanese this morning's not ruled out pulling the Bill if you don't get the numbers. That would be the wise course of action, wouldn't it? If you ... you don't want to have the embarrassment of losing ...

EMERSON:

We are determined to press ahead with this proposal. Because I think what's not widely understood here, Kieran, is that we're not legislating for the Malaysian arrangement; we are legislating for offshore processing.

Why? Because the best advice to us by the same advisers who gave their advice to the previous Howard Government is that offshore processing is needed to break the people smugglers' business model, and therefore to smash the people smugglers' business.

Now, this legislation provides for offshore processing with a location determined by the government of the day. We are told repeatedly that the Coalition supports offshore processing, but they're going to vote against it.

Now, what that would mean, if they did vote against it, is that there would never again be offshore processing in this country.

GILBERT: But you could have...

EMERSON: Never again.

GILBERT: ...you could have offshore processing if you accepted the Coalition amendment and pursue Manus Island. The PNG Prime Minister is going to be here the next few days. The Coalition has said, 'okay, run with Manus Island'. Why not at least accept that? Negotiate.

EMERSON: Well, because the Malaysian arrangement is ... has actually, and you will see today, support from the United Nations High Commission for Refugees. We want to do this in a humane way, but we want to stop people arriving by boat.

The best estimate, Kieran, is that 800 people have lost their lives. And I think the entire Parliament, regardless of your political persuasion...

HUNT: Is that since the laws were changed?

EMERSON: This is going back, including the *SIEV X*, which included 350 people dying at sea. And of those, around 150 were women and children. Now ...

HUNT: How many would have lost their lives since the laws were changed?

EMERSON: Well, what I'm saying is that's since around 2000, the year 2000.

HUNT: Yeah.

EMERSON: And I don't want to play politics with this Greg.

HUNT: No.

EMERSON: When people lose their lives, that is a tragedy and it is a responsibility that we must all share. I feel that responsibility.

GILBERT: So okay, let's move ... let's ask Greg Hunt for a response there. Why is a party that supported offshore processing so indignantly over the years now getting cold feet on this?

HUNT: Well, we support offshore processing. We can offer offshore processing by 9.15 today if the Government wants to bring the legislation on and simply accept the amendment which puts into practice another prime ministerial pre-election pledge, which was that she would never have offshore processing unless it were in a country which was a signatory to the UN convention. That was her pre-election pledge: that any country had to be a signatory to the UN convention.

GILBERT: But it wasn't yours. It wasn't yours. And now you've got this caveat.

EMERSON: Yes, so you're implementing the Prime Minister's pledge?

HUNT: Now, we are offering...

EMERSON: How very swell of you.

HUNT: ... well over 140 countries, including...

EMERSON: Iran.

HUNT: ...PNG; including Nauru. If the Government wants offshore processing - we want offshore processing - they can have it by 9.15 this morning.

Most significantly, what Craig has just said - and I respect his point - that many hundreds of people have lost their lives. If the Government wants to stop this trade, they can do it immediately.

GILBERT: Okay, let's...

HUNT: But, no, there's one very important point here...

GILBERT: Let's look at the carbon tax...

EMERSON: You've taken a long time to get to it.

HUNT: ... and that is that they said there was no pull factor to Australia for years and years after they ... for two years after they changed their legislation. This is a massive concession that the changes the Government made created the renewed people-smuggling business.

GILBERT: The Coalition is under pressure - on another issue now, to finish - under pressure to back the steel industry transformation plan. What credibility will you have, and your leader have, when you go out to steel plants and manufacturing plants and warn about their ... you know, the end is nigh under the carbon tax, and you've blocked a \$300 million transformation.

You know that iron ore costs are up; you know they're struggling with the dollar.

HUNT: Well, this Bill ...

GILBERT: This is a support package and you're going to block it.

HUNT: This Bill is a ticking time bomb. I know this Bill well. It is a ticking time bomb...

EMERSON: Yes, and [indistinct] steel industry.

HUNT: ... it paves ... it paves the way for a tax which will increase continuously and forever on the steel sector.

Only yesterday I was speaking with steel workers in my own electorate, who said that from their perspective a carbon tax which will affect the steel industry will be the death of their jobs.

The steel sector is already under massive pressure.

GILBERT: Well, it's more likely to be if you don't support the transformation plan.

HUNT: Well no, this Bill brings in a carbon tax. And there is a temporary provision but a permanent tax. The tax goes up each year, every year, forever, as far as policy is concerned. And it will do enormous damage to the steel industry. And it is a ticking time bomb which will simply destroy jobs and send investment overseas.

EMERSON: You'd reckon the steel industry would be pretty good judges of this; better judges than the Coalition. And the steel industry wants this legislation passed.

HUNT: They do not want the carbon tax.

EMERSON: They want this legislation passed...

HUNT: They do not want the carbon tax; I can assure you of that.

EMERSON: ... and they want the steel industry transformation plan.

And I'm sorry I have to leave a little early because I will be speaking on these very issues in the Parliament at

nine o'clock, pointing out, amongst other things, that Tony Abbott twice in July, unreputed by Greg Hunt, has described carbon dioxide as a weightless gas whose incidence in the atmosphere he's going to reduce by 160 million tonnes. Go figure!

This is the full scientific assessment and capability of the Coalition - that they are going to reduce the incidence in the atmosphere of a weightless gas by 160 million tonnes. That's the level of debate; that's the level of intellectual rigour that is being applied to this task.

The only reason that the Coalition is opposing this is they think there might be some votes in it.

GILBERT:

Can you get the Greens? Can you get the Greens to back this, do you think? Or are they going to ... because they haven't ruled out supporting this steel transformation plan.

EMERSON:

Yeah, I understand they haven't ruled that out. And once again, because the Coalition is being so opportunistic and Mr Abbott, as - you're absolutely right - goes into steel industry facilities and says, 'I'm your friend'; talks about featherbedding, which is another word for "I think there are too many of you and many of you should not have your

jobs". And then he pretends to be their friend while voting down the very steel industry support plan upon which they rely.

GILBERT: Okay, Greg Hunt, let's talk to you now if we can. We'll just focus on Greg, now, because you did say that you've got to leave. So we'll allow the studio to just reframe the cameras. And you've got to get to Parliament, so we'll let you go, Craig Emerson. Thanks for the chat this morning.

EMERSON: Good to talk to you.

HUNT: I'll be generous in your absence.

EMERSON: I won't hold my breath.

GILBERT: Well, it won't be a free run altogether because I get to ask the questions as well.

HUNT: Before Craig goes, I just want to acknowledge, in a bipartisan spirit, he scored two tries for the Parliamentary team against an Australian representative team yesterday for touch football. So, well done.

GILBERT: Well done.

EMERSON: Sounds better than it was.

HUNT: Now go and support our amendment in the Parliament, for a people's say on the carbon tax.

GILBERT: So that's a nice, positive way to finish.

Greg Hunt, let me ask you about this move to introduce ... with the carbon tax, you want to delay the start until after the election. Isn't that just a stunt? You know which way the vote's going to go.

HUNT: We want to give the Australian people a genuine say, a genuine vote at the next election. They were not given that vote at the last election. A simple amendment which would allow the commencement of the Bills, if they were passed, to be contingent on the next election is a simple approach which will allow every Australian to have a say.

And whether you support or oppose the carbon tax, you can support giving the people a say. And if the Prime Minister really believes in the carbon tax, she should simply bring on an election and let the people have a say.

GILBERT: But you know that the way the numbers are going to go. So, this to me ... it's obviously just a stunt for the Parliament, isn't it? You know you're not going to win the vote.

HUNT:

Well, in this Parliament anything is possible. And I would hope that any ALP member or any Independent would support the principle of giving the people a say.

This Bill that the Government has, and the associated measures, will increase electricity, gas, groceries, increase the cost of transport, increase the cost of manufacturing in Australia. The simple thing to do would be to give the Australian people a say. It would be the honourable thing, the decent thing, and nobody should be opposed to it, even if they support the carbon tax.

GILBERT:

But the reality is that after all the debate, that this carbon tax looks, for all intents and purposes, like it will be a reality, at least through the Lower House as of tomorrow and then the Senate in November.

Do you plan a change of strategy, or is it just going to be continuing to argue along the lines that you're going to rescind it? Won't it lose a bit of steam this debate?

HUNT:

We want to defeat it now. And if that doesn't happen, then we will take it to the next election; we'll make the next election a referendum on the carbon tax. And if we're successful, we will

repeal it in government. And if the ALP doesn't move out of the way, then we'll go to a double dissolution.

GILBERT: Greg Hunt, appreciate it. Thanks. A busy week ahead.

HUNT: Thank you.

GILBERT: That's all for this edition of *AM Agenda*. Thank you for your company as well.