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Transcript

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**KING:** Inside Canberra this morning, with Rudd Government Minister Dr Craig Emerson. Good morning.

**EMERSON:** Hello Madonna from a chilly Canberra.

**KING:** And Senator George Brandis, good morning to you too.

**BRANDIS:** Good morning Madonna. Good morning Craig.

**EMERSON:** Good morning to you George.

**KING:** Is it true it's 0.3 degrees in Canberra right now?

**EMERSON:** Yeah, pretty cold. But it was minus five yesterday morning, so - I played touch footy this morning. I can report that New South Wales defeated Queensland six tries to nil.

**KING:** [Laughs] Can you - and is that how you're hoping it goes tonight Craig Emerson?

**EMERSON:** Oh look, I don't really mind. I'm a Bulldogs supporter. Michael Ennis is playing for Queensland, so I guess I'll be barking for Queensland.

**KING:** What would people in your electorate say to you...

**EMERSON:** They know, they know what State of Origin's all about. My state of origin is New South Wales. I've lived in Queensland since 1990, so I'm a bit ambidextrous in that regard. So...

**KING:** [Laughs] What about you George Brandis?

**BRANDIS:** Well, although my state of origin is also New South Wales, I'll be barracking for Queensland.

**KING:** Why, because there might be a few votes in it?

**BRANDIS:** No, because I always barrack for Queensland.

**KING:** [Laughs] All right. Okay, let's get onto the mining tax. Can we just do it first, and briefly. Dr Emerson, it appears the Prime Minister is moving into a compromise position. What did he say yesterday to allay concerns in caucus?

**EMERSON:** He said that there is constructive engagement now, with a number of the major mining companies. We always said that, through the consultation processes that were set out in the response to the Henry Review, we would engage on particular details of the tax. But it would be a 40 per cent profits-based tax and it would apply to existing projects and that's what we're doing.

**KING:** And so yesterday, how did the Prime Minister deal with certainly there has been a little bit of discomfort with some ALP members. Is that a fair thing to say?

**EMERSON:** I would think that some ALP members, in those seats where there's a lot of anxiety about it, would express a bit of anxiety. There wasn't a lot of that. But this is the right forum; that is, the caucus. There are many people, including in those sorts of seats, who strongly support it - the application of a Resource Super Profits Tax, to gain for the community a fair share of the increased profits associated with the China boom.

**KING:** How angry were people in caucus yesterday, and how did the Prime Minister deal with that?

**EMERSON:** Not at all. There wasn't any anger as such, it was a set of discussions. And I really won't go through the details of those, but asking questions is really the way that we do it and then people can make their point of view known through that forum. And that's what was done.

But it - look, frankly, there was some discussion about that and we moved onto other things as well. Health, education, a whole range of issues.

**KING:** Did anyone indicate that Julia Gillard would make a better leader?

**EMERSON:** No, there was no discussion of that, as you well know Madonna. You're just being mischievous now.

**KING:** Well let me put to you - this ran on the front page of The Australian this morning - that tensions between Labor MPs from mining and non-mining states erupted in Labor's caucus room yesterday, as Gary Gray, a junior frontbencher, aggressively attacked Finance Minister Lindsay Tanner over the timing for a resolution to the resources tax row.

Did that happen?

**EMERSON:** I saw that report. I was sitting in the caucus and I didn't see or hear any such thing. That doesn't mean there wasn't a discussion. I just was completely unaware of it. So, if there was, it wasn't...

**KING:** But surely you would have heard a discussion?

**EMERSON:** Well exactly, if there was some sort of outburst I would have heard it and I'm saying I didn't and I sat through the entire caucus meeting.

**KING:** Did Mr Gray want an August deadline to resolve the issue?

**EMERSON:** I think he said that publicly beforehand; he said that, you know, hopefully it would be resolved some time during July and certainly he'd like to see it resolved by August, so that's what...

**KING:** Sources told the...

**EMERSON:** ...he'd already said publicly.

**KING:** ...sources told The Australian that after the heated argument Mr Gray stormed off. You didn't see that?

**EMERSON:** I didn't. No. I was having my cup of coffee and there were no lamingtons or bickies yesterday, so I was very attentive. I wasn't out there hoeing into the lamos or the bickies and, therefore, I sat through the entire caucus meeting and presented a couple of - three bills in fact.

**KING:** All right. George Brandis, I'll come to you in just a moment. But Craig Emerson, can you tell us - is there any suggestion that Kevin Rudd won't be leader come the election? And if there was any sort of spill motion, would he have the strong support of caucus?

**EMERSON:** There is no suggestion of that at all. And so we're just getting on with the job of governing and now working our way through this Resource Super Profits Tax,

which is an important economic reform and good on Kevin Rudd for pushing an important economic reform. That's what Labor Governments do.

**KING:** All right. George Brandis, can I come to you here? The Government appears to be moving into some kind of compromise position, or negotiating position. Will you, the Opposition, vote against the tax full stop, or are you open to seeing what that negotiation brings out and you may actually back the Government on it?

**BRANDIS:** The Opposition is resolutely opposed to the mining tax, because as Tony Abbott repeatedly says - and it's true - it's a dagger through the heart of the nation's prosperity.

The mining sector is the source of this country's wealth more than any other sector of the economy. It's the sector that saw us through the recession. It's the sector in which the wealth of hundreds of thousands of Australian households are dependent through superannuation funds and small shareholdings. And this process, as the Government's own most senior business adviser, Sir Rod Eddington pointed out a couple of weeks ago, has been a public policy fiasco. Nobody knows where this is going.

The consultation process, so-called, is a consul... a process that happened after the tax was announced...

**KING:** Yes, but we...

**BRANDIS:** ...not before.

**KING:** ...but we understand that and we've gone through a lot of those issues. My question to you is, is there a full stop at the end of the sentence? The Opposition will not support this tax in any form?

**BRANDIS:** The Opposition will not support this tax in any form.

**KING:** All right. And can I ask you Senator Brandis, would the Opposition prefer to go to an election with Labor led by Kevin Rudd, or Julia Gillard?

**BRANDIS:** That's their problem. And, you know, I looked with admiration at my friend Craig's *sangfroid* when he was trying to make light of the caucus meeting yesterday. Everybody in this building knows that the Labor Party, at its caucus meeting yesterday, had a huge row as reported...

**EMERSON:** George snuck in.

**BRANDIS:** ...as is reported in practically every newspaper in the country this morning, because they are all over the place on this issue. This has been a catastrophe of public - it's been a master class in how not to make public policy.

**KING:** All right. Well we might find out a bit more after tonight's mid-winter's ball, but I'll come back to that in just a moment.

You talk about advice - both of you talked about advice in those sentences. Can I talk about that from a different angle, and where you two get your chief advice from? Is there one person who, if you say something - if they say something to you, you will really listen?

**EMERSON:** I think I listen - maybe this is part of my academic background - I think I listen to everyone who's got something to say. And then I...

**KING:** So if someone in your office came up and...

**EMERSON:** ...I don't - yeah...

**KING:** Yeah. If you asked them...

**EMERSON:** I don't just say because someone says something it must be true.

**KING:** No, no, but if someone...

**EMERSON:** I like to evaluate what's put to me and if someone says something that I haven't thought of, or that is reinforcing something that I have thought of, I'll take very - very much take that into account.

**KING:** But do you have people in your office who will turn around and say; look, with respect Dr Emerson, that's rubbish?

**EMERSON:** No, not really, but that doesn't mean they're yes men or yes women.

**KING:** Yes.

**EMERSON:** The way we operate is far more discursive than that.

**BRANDIS:** Doesn't mean it's not rubbish either.

**EMERSON:** Well, that - absolutely the case George. Sometimes ideas that I come up with are not the best ideas around...

**KING:** [Laughs]

**EMERSON:** ...and I'll pass...

**BRANDIS:** Like mining super tax, though we can't blame you for that one Craig.

**EMERSON:** By passing them through Carly Learson, who's my press secretary, who's here in the booth right now, and she might say I don't think that's a very good idea Craig...

**KING:** And would she say...

**EMERSON:** ...and so... absolutely, for sure.

**KING:** All right.

**EMERSON:** And my chief of staff Lynne Ashpole, a very gentle person, never shouted at me once. I've never shouted at Lynne, but she is a really good sounding board for crazy ideas.

**KING:** Okay. There's a lot I want to get through this morning, so if I can hold you to brief answers.

Senator Brandis, what about you? Is there someone who would look you in the face and say; look, Senator, that's the wrong tack. Do not do it?

**EMERSON:** Travis, he's sitting in the booth too. [Laughter]

**BRANDIS:** Look, I think we tend to be influenced by two groups of people; our colleagues - most decisions that are made, certainly by the Shadow Cabinet are the result of, you know, a long process of discussion in which people listen to each other's points of view. So I'm always very influenced by the views...

**EMERSON:** Like paid parental leave?

**BRANDIS:** ...by the views of my colleagues. And I am always influenced by the views of my staff and there's Travis Bell who Craig has just - has just publicly outed.

**EMERSON:** I just Belled the Travis.

**BRANDIS:** He was probably the person who most commonly tells me that I'm wrong. Sometimes he's right, more often than not he's not. But nevertheless, it's good to have somebody to say that.

**KING:** All right, because the reason I ask is I don't know if you saw that piece by Peter Beattie in The Australian yesterday, where he said he had someone called Steve Bishop who was his senior press sec and who would - only took the job on the basis he could say honestly what he thought. And often he would say that what you're speaking is rubbish. Don't do it.

And in the same way there's been, not an attack, but the issue of the men Kevin Rudd is getting his advice from raised - three of them, three young men. Two of them are 30, another is 31.

Is there - is there a mortgage on ideas when you're old? Is there anything wrong with having three chief advisers all 31 and under, George Brandis?

**BRANDIS:** Well I think there is, and it's not because, you know, younger people don't have good ideas, it's because the three people who are closest to Mr Rudd, and who really represent a Praetorian Guard that keeps him away from the real world, and keeps him away from the views of his Labor Party colleagues by all accounts have no experience in government, and very little real world experience.

Now I'm sure they're all very bright, and I'm sure they're all very dedicated to the job they do.

But compare that with, when John Howard was Prime Minister, when his three senior advisers were all people who'd been around for many, many years in government, in the media, in the bureaucracy, in the Liberal Party. And there was very little that came across John Howard's desk that - the combination of his long years of experience and the long years of experience of his senior advisers meant hadn't ... they hadn't seen before and had a kind of good intuition as to the way the issue would play out.

Now there is - and one of the problems I think, and I say this in good faith, and I'm not being party political here, but I do think one of the problems of Mr Rudd and the way in which this Government is being run and the reason it's run into so many problems is that problems that could have been anticipated by more experienced people - like for example the insulation pink batts fiasco - weren't anticipated because the people who were doing the decision-making didn't have experience in decision-making.

**KING:** All right, let me ask you, Craig Emerson, this same question. But when you look at Paul Keating - when you look at Bob Hawke, we just heard about John Howard - was there advice coming from people as young as that? Did they have a broader range of advisers?

**EMERSON:** Yeah, Bob Hawke had a young up-and-coming adviser...

**BRANDIS:** He had...

**EMERSON:** He had a very good up-and-coming adviser.

**KING:** Yeah, Dr Emerson was his name.

**BRANDIS:** Dr Craig Emerson.

**EMERSON:** Who, like Andrew Charlton had a PhD in economics, aged 31. So I'm not going to be saying anything other than praise for Andrew Charlton, and also Alister Jordan and also Lachlan Harris.

They are very good advisers, and...

**BRANDIS:** Yeah, but the problem Craig is when the advisers get in the way of the ministers, now they - Rudd should be listening to you about economics before he listens to a guy with a PhD who doesn't have your experience in Government.

**EMERSON:** I have good access to the Prime Minister, and these three guys ensure that I do. There is - George has talked about experience. Well I think the reality towards the end of the Howard Government is that they ran out of ideas. And these young people have fresh ideas. And I think that's really important for a young country like Australia. Young people with fresh ideas - but they are highly qualified, and there's plenty of experience around the place. So I think... and I also think it's not right to identify advisers as in some way contributing to any difficulties if... there's criticism of me, of George, a Prime Minister, or the Leader of the Opposition, let's confine that criticism to our performance, and not get stuck in...

**KING:** Yeah, though often politicians are happy to hand it off to the public servant when they want to.

**EMERSON:** Well these aren't public servants. These are advisers in ministerial offices...

**KING:** Or advisers.

**EMERSON:** Well I don't know that that's right. I think even John Howard didn't, when he made mistakes, say that was because of a mistake from one of my advisers.

**BRANDIS:** No he didn't.

**EMERSON:** I think we're pretty strict on that. And that is advisers work like - they work their guts out. They work - right Travis? Right Carly? - they work their guts out, they work around the clock, and they don't deserve to be attacked when mistakes are made.

**KING:** All right, can I move on...

**BRANDIS:** Well but the question was about process, and I think it's - and I'm not attacking these young men personally. In fact I said that I'm sure they are very dedicated to what they do. But...

**EMERSON:** And I'm not suggesting you are.

**BRANDIS:** But it is a feature of this Government that it's been characterised by inexperience and naivety, and I'm sure the lack of experience of the most senior advisers to the Prime Minister is a feature of that problem.

**KING:** All right. Let me move on then. And George Brandis, I'll go to you then. You say that and - is there concern from you about Wyatt Roy standing in Longman? This is a 20-year-old standing for a prize seat that the LNP hope to win come the election.

**BRANDIS:** Well there's no concern from there at all about Wyatt Roy. I'm very...

**EMERSON:** Bit skinny on experience.

**BRANDIS:** I'm very impressed by Wyatt Roy.

**KING:** Yeah, but does that fly in the face of what you've just said though, about the experience?

**BRANDIS:** No, because if he's elected...

**EMERSON:** Consistency is the sign of a small mind.

**BRANDIS:** If he - no no, let me make the point I would make. What he is standing for, he is not standing to be the principal economic adviser to the Prime Minister. He is standing to represent his community, the community of Longman, of which his family, his family have lived in that community for many generations.

There would be nobody - including the sitting member - who would understand that community better than he does. And he's a very impressive young bloke.

**KING:** All right. Yes. I've spoken to him on air and people say - who have met him - he is very impressive. I just wondered, given his youth, after what you said about the other advisers, but I take your...

**BRANDIS:** No, there's a distinction between being a Member of Parliament and being a senior economic adviser to the Prime Minister. Now...

**KING:** All right. Craig Emerson then?

**EMERSON:** It's pretty important. He's representing around 150,000 people.

**BRANDIS:** Yeah. And he'll do it very well.

**EMERSON:** On major policy matters and local community matters.

**BRANDIS:** Yeah.

**EMERSON:** And this guy's 20 years of age.

**BRANDIS:** Well what's wrong with the fact that he's 20 years of age? The voting age is 18.

**EMERSON:** I'm not criticising his age either George, but I don't think you can have your cake and eat it as you'd like to do and say that experience is really important, but when comes to representing 150,000 people experience is not important.

**BRANDIS:** Well I think...

**EMERSON:** And John I... the Member for Longman, Jon Sullivan, is a very experienced...

**BRANDIS:** You're struggling to remember his name there Craig.

**EMERSON:** Well I was going to say Jon Longman and that would have been a slip. I'm saying the Member for Longman, Jon Sullivan, is a very experienced man who's been in the State Parliament for a long time and is doing a fantastic job.

**BRANDIS:** Yes, the old Labor Party looks after its own doesn't it. The...

**KING:** All right, no. I'm going to move on now to what you gentlemen might be doing tonight. Are either of you dressing up and going to a ball?

**BRANDIS:** No, I'm not going to the Mid Winter Ball.

**EMERSON:** Oh George.

**BRANDIS:** No I'm not. I've been to...

**EMERSON:** I was going to ask you for a dance.

**BRANDIS:** I've been to... [Laughter] ... please, take your hand off my leg, Craig. The - I've been to a few of the balls, they're quite good fun...

**EMERSON:** This is good radio.

**BRANDIS:** ... but tonight I'll be watching the State of Origin game.

**KING:** I love your interjection there Craig Emerson. This is good radio. I think maybe... I think my listeners will actually decide that just quietly. Can I...

**EMERSON:** Can someone put their hand up to the camera in the studio here?

**KING:** Yeah, look, and this is - you can bid for some time with a politician there for a chat for dinner, for recreation whatever that might mean. Kevin Rudd's now coming in third.

The highest bid is, currently, for Kevin Rudd, is \$6100. For Tony Abbott it's \$6700. For Julia Gillard - she's leading at \$9600. Bob Brown's at \$5000.

What do you think you'd get for either of you?

**EMERSON:** Oh, I don't know. I think it speaks volumes, the fact that I wasn't invited to put myself up for auction, so either a very low or a negative bid. I'd have to pay money to take them out.

**KING:** Senator George Brandis: tempted, in any way, to go higher than \$9600 for a little bit of advice or a sit down with Julia Gillard?

**EMERSON:** Very experienced.

**BRANDIS:** No, I must say I see enough of my parliamentary colleagues from both sides of the chamber for free during an ordinary sitting week.

**KING:** And I know this is about fun and it's about raising money for charity, but does it look bad Craig Emerson if Julia Gillard turns out to be more popular than the Prime Minister? Will we see Kevin Rudd putting his hand in his own pocket to up the bidding during the day?

**EMERSON:** No, it's all in good fun and actually for a very good cause. The charities are Camp Kookaburra, Fighting Chance, Karinya House for mothers and babies, and OzHelp. And that's what the whole occasion is about.

Everyone gets dressed up to the nines. I'll be getting dressed up as best as I possibly can, probably tuning in to the State of Origin. But look, it's a lot of fun. And it is for a really worthy cause.

**KING:** All right. And a final issue I want to talk about is the Integrity Awards. I understand the inaugural Integrity Awards have been handed out to two federal parliamentarians. Defence Minister John Faulkner and Liberal backbencher Petro Georgiou. Would there be any disagreement there from either of you that these two gentlemen are deserving of these?

**EMERSON:** No, not on my account. I think John got it, at least in large part, for the transparency work he's done; that is, accountability reforms to the Freedom of Information Act and so on. And Petro Georgiou who has always stuck by his guns, stood up for his principles, and indeed crossed the floor on a number of occasions - usually on the issue of asylum seekers.

**KING:** I would have thought all politicians were pillars of integrity. Do these two people stand out more than others?

**EMERSON:** I think, to be honest with you, we make compromises. George makes them. I make compromises. We have a party room position. Sometimes we may argue

against that position but then go with the overall party room position like on emissions trading systems. I know that George is a secret admirer of the CPRS, but he'll never say it.

But anyway that's what we do. And that's why Petro Georgiou has got that award. And that's why John Faulkner's got it. And they're richly deserved.

**BRANDIS:** Rather than allow myself to be verbally I should say that I support the Coalition's policy on direct action in relation to climate change, and point out that we're the only political party that has a policy on asylum seekers.

**KING:** All right, but back to the Integrity Awards George Brandis.

**BRANDIS:** Now in relation - well I think they're both well deserved. John Faulkner and Petro Georgiou are both friends of mine. I like them both a lot. And I think they have, you know - obviously John is a man on the other side of politics from mine, but I think that they have both contributed admirably to public life in a broad sense.

**EMERSON:** Hear hear.

**KING:** And who actually makes the decision?

**BRANDIS:** I think it's been promoted by...

**EMERSON:** Yeah, there's a - well I certainly know that there's a transparency committee in the press gallery. Laurie Oakes I believe is involved in that. I know John Hartigan. I don't know if he's involved in this process. But the 'Your Right to Know' campaign was all about reforming government processes so that they are more transparent, more visible, and that politicians are more accountable to the public.

I think that's a good thing.

**KING:** Well and we look forward to both your names being on them this time next year.

**EMERSON:** Can't hardly wait.

**KING:** Can't hardly wait.

George Brandis, Craig Emerson, thank you. And Dr Emerson, enjoy...

**BRANDIS:** Thanks Madonna.

**KING:** ... enjoy the Mid Winter Ball tonight.

**EMERSON:** Thank you, it'll be great fun.

**KING:** We might give you an early call tomorrow morning.

**EMERSON:** That's fine. I'll be a good boy.

**ENDS**

MADONNA KING: All right. That's Dr Craig Emerson, Rudd Government Minister, and Senator George Brandis, a senior decision maker in the Opposition, on Inside Canberra this week.