

INSIDE CANBERRA
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HON CRAIG EMERSON MP
MINISTER FOR SMALL BUSINESS, INDEPENDENT CONTRACTORS AND
THE SERVICE ECONOMY
MINISTER ASSISTING THE MINISTER FOR FINANCE ON
DEREGULATION

Presenter: Terri Begley.

ISSUES: Fuelwatch, single pension rate, Privacy Act and Olympics.

BEGLEY: We're Inside Canberra and it's good morning to Shadow Attorney General George Brandis and Small Business Minister in the Rudd Government Dr Craig Emerson. Good morning to you both.

BRANDIS: Good Morning Terri, good morning Craig.

EMERSON: Hi Terri, George.

BEGLEY: Well technology is an amazing thing. We're speaking to you from two very different parts of the continent today. Senator Brandis you're in Mt Isa – what are you doing there?

BRANDIS: Well during the winter parliamentary recess we Coalition Senators have always made it a practice to spend several days on the road in regional parts of Queensland – to get out of Brisbane, get out of the city and see what regional people are thinking and what's on their mind.

BEGLEY: Just a week late unfortunately for the rodeo. Are you a bit disappointed you didn't get to see that in Mt Isa?

BRANDIS: Well it would have been a great show but it would have been difficult finding a motel room in Mt Isa last week.

EMERSON: It would have been good watching you in the saddle George.

BRANDIS: (laughs) Well I'll just have to joust with you Craig.

BEGLEY: We'll get into it shortly but Dr Emerson you're in Perth – what's taken you there?

EMERSON: Well we're confirming funding for business enterprise centres, one-stop shop advisory services that were promised before the election if Labor won. We did win and it's being provided for in the budget so we're going to these various one-stop advisory services and basically handing the money over. It's a great shot in the arm for small business.

BEGLEY: Okay. Let's take a look at what's been coming out of Parliament over the last couple of days and today Fuelwatch has hit the headlines. Is it dead in the water? Craig Emerson your party looks to have lost the support of at least one key Senator, Independent Senator Nick Xenophon, to get this scheme through the Senate and now it looks like Family First Senator Steve Fielding is with him. Not convinced it will bring competition between petrol retailers and that independent retailers are going to hurt a lot more in the long term. Craig Emerson how will you convince these Senators otherwise that Fuelwatch is going to work?

EMERSON: Well we've got the ACCC evidence. I would hope that both Senator Fielding and Senator Xenophon have another look at the work of the ACCC. That's the competition watchdog who actually proposed this - these are the pro-competition people. In terms of small business the evidence from WA is that there is an increase in the percentage or proportion of sites that were owned by small independents. And remember, the other small businesses that will benefit from this would be all those businesses that struggle with the high cost of fuel. They would be able to shop around reliably knowing where the cheapest fuel was for a full 24 hours. There are advantages for consumers and advantages for small business.

BEGLEY: You're yet to convince Senator Xenophon. He's most interested in finding out how the Government is going to tackle the wholesale marketing of fuel. He wants you to rethink that before he gives you support for this scheme. What will you do there?

EMERSON: Well again the major report produced by the competition watchdog does indicate that there are some competition issues or problems. We are having a look at those issues but one of the real constraints is that it's not easy to import fuel. And I keep using the word competition. If you were able to import fuel more easily, if there was space on the wharves, that would put downward pressure on wholesale prices and ultimately bowser prices, from being able to get fuel from overseas.

BEGLEY: George Brandis is Fuelwatch looking doomed?

BRANDIS: The Opposition has always thought Fuelwatch was a stunt and would have no impact on petrol prices at all. In fact, there is a lot of evidence to suggest that freezing the price to once in 24 hours may actually cause petrol prices to rise. Now, the ACCC supports Fuelwatch, certainly the chairman of the ACCC Graeme Samuel supports Fuelwatch, but if you speak to the officers of the ACCC who are actually on the ground there is a different view from the ACCC than the official view of the Chairman - a view that has been reflected in seven different reports from the ACCC and different state competition regulators over the last few years. The problem the Labor Party has got about petrol and let's be frank about this Terri is that they went to the last election promising to do something about the escalating price of petrol and leading people to believe that if they vote Labor the price of fuel is going to come down. That was never going to happen and now they say it's actually an internationally traded commodity and we can't actually bring the price

down but the problem is they said something different last year to get elected and now they've been caught.

BEGLEY: Craig Emerson?

EMERSON: The advantage of Fuelwatch is that a motorist will be able log on and have a look at the price of fuel at different service stations and know that when they go to that service station that will be the price.

BRANDIS: Mate, people can see the price on the sideboard, they don't need to log on.

EMERSON: And they keep changing George. Go and buy some petrol for once in your life.

BRANDIS: They keep changing. They go up and they go down and under your proposal (inaudible)....

EMERSON: Take a mogodon and settle down. What I'm saying is that the price will exist for 24 hours. Now the variation in the city on fuel prices is up to 30 cents a litre. These are massive potential savings that the Coalition does not want motorists to get. What they want is for motorists to go to a petrol station, having seen the board price, go back again half an hour later after they've done the shopping and the price has gone up 10 cents. George if you haven't experienced that, that means you don't buy your own petrol. Most people do.

BRANDIS: (inaudible)

EMERSON: They don't want to be in a situation where the price of fuel goes up and down, up and down by more than 10 cents a day. This will allow the consumer real choice, real power by shopping around knowing that when they see that price it will be there for the rest of the day.

BRANDIS: It's very well to say that Craig but unfortunately the West Australian system on which Fuelwatch is modelled or the best evidence to the Senate Committee that looked at this was that it would have no impact on petrol prices but by freezing the market, if anything, it would force prices up. It's a dud Craig, it's a dud.

BEGLEY: Alright, I guess we've heard both viewpoints on that one and I guess it's up to the Senate to pass this and whether or not the independents are going to allow this scheme to be put through anyway. Let's move on gentlemen. We're speaking with Senator George Brandis and Small Business Minister in the Rudd Government Craig Emerson. We're Inside Canberra. Moving from fuel to how much money is in the back pocket of our aged pensioners and as anyone of them will tell you not enough. The Government has put out a paper this week saying the pensioners get \$273.40 (inaudible) week but when it comes to international standards. The Government's promised to look at the issue during the Ken Henry Review of taxation but

that's not until next February. It's not really a tax issue. Why not lift the single pension rate tomorrow Craig Emerson?

EMERSON: We do have a thing called the budget. We like to make most of the decisions we can in budgets. This is a pressing issue and we accept that most age pensioners are under financial pressure and if I could add to your introduction Terri I think especially age pensioners who are renting because I think rents have gone up so much and rent assistance has not gone up as much.

BEGLEY: So we know this was the big outcry after the last budget was handed down. Pensioners felt like they'd been ripped off. This is more evidence building – why can't you act on it sooner rather than when the next budget's due?

EMERSON: Well I'm not saying it will necessarily be in the next budget. I'm just saying you can't put out a discussion paper one day and increase the pension the next day. Kevin Rudd, Wayne Swan, the whole team understands very clearly the financial pressure pensioners are under. But of course there are lots of spending proposals and if we just say let's increase this spending and that spending then you just get more pressure on prices and more pressure on interest rates. So we'll probably need to create some room in order to create any increase in pension rates.

BEGLEY: Are you looking at that now?

EMERSON: Well Lindsay Tanner is involved as the Finance Minister in finding new areas of cutting spending. We've cut spending growth from five per cent to one per cent in the last budget. We need to keep working away to find areas of extravagant and excessive government spending, trying to create room for Labor priorities. But I must say that the pension issue and the adequacy of the pension is not an issue that started on the 24 November with the change of government. The problems were there under the previous government. The difference is this one is prepared to have a real hard look at it.

BEGLEY: Senator Brandis what's your view on this?

BRANDIS: Look heavens above Craig. I think you've been driving around in one of those big white cars for too long. The fact is that the Government had the opportunity to do something for pensioners in the budget and they didn't do it.

EMERSON: Let's be honest George, we did provide an increase in the utilities allowance and the pension bonus, so please don't mislead the listeners. Please don't mislead them and say they got nothing in the budget. It's untrue and you're not worthy of statements like that.

BRANDIS: I think that pensioners listening to you say that miserly increase in the utilities allowance constituted a significant benefit to them would be astonished. Frankly.....

EMERSON: \$107 to \$500 a year.

BRANDIS: The big hole, the donut of the budget, was how little was done for pensioners. Do you know that? I'm sure you're embarrassed by it particularly given your seat. I know a lot of pensioners live in Rankin and I know they're disappointed. People who put their faith in the Rudd Government because Mr Rudd promised their lives would be a little bit easier if they voted for the Labor Party at the last election, not just pensioners, but they are a particular case in point, are feeling very disappointed. If you weren't over in Perth but listening to people in Queensland they're saying one thing and it's coming through loud and clear – this government has been a great disappointment.

EMERSON: When was the last time the Coalition provided a discretionary ongoing increase in the pension? And the answer is not for very, very, very many years. We had a change of government on 24 November. We recognise the pressures pensioners are under. We're going to do something about it.

BRANDIS: Always going to do something about it Craig.

EMERSON: We've been here seven months George.

BRANDIS: ... and you never do. You've been there for nine months and it's time you started taking responsibility for the decisions made.

EMERSON: You have taken your angry pills today George.

BEGLEY: I think we made that point from both of you. We will move onto the privacy report, The Australian Law Reform Commission. It's come down with the privacy report and it's recommending 295 changes to our privacy laws and practices and among them to introduce a statutory course of action for serious invasions of privacy. We are talking about interference with an individuals' home life, unauthorised surveillance, tampering with a person's private correspondence, or disclosing insensitive facts about a person's private life. A lot of changes have been recommended by the ALRC but news journalists and people holding mobile phone cameras could fall foul of these laws. Craig Emerson, did the media go too far in seeking information in the public interest?

EMERSON: In my view, no. It is a very voluminous report. I think we got it two days ago. Hundreds of recommendations. We can't digest that in two days, but I will say this Terri, of course there is a need to protect individuals' privacy, but let's not go over the top here and have it so interventionist and have adverse effects on small business. We will have a good look at this report. It is not a report produced by the Rudd Government, but by the Law Reform

Commission. Of course we will examine it, but we haven't the time to that in two days. But my own personal view is it can too excessive and too intrusive.

BEGLEY: Senator Brandis, what about freedom of speech? Do you think it will be protected if these changes are adopted?

BRANDIS: Well Terri, can I just say before I come directly to that question, that this is a very, very important report, as Craig acknowledges. It's one of the most important issues in my portfolio, the Shadow Attorney-General's portfolio. And like the government we will be looking very carefully at this report. I have been on the road so I haven't seen it. I have been looking at a summary of its principal recommendations. I we will examine it with care. I know it's a little unhelpful, but you really have to start this discussion by reminding people that there are balances to be struck, balances to be struck between freedom of speech and protection on the one hand and the legitimate interests in privacy and reputation in the other. The common law, and more recently statutes, have tried to get those balances right. Common law has never recognised a tort of privacy as such and that's why this idea of a statutory course of action for privacy is really quite a radical departure. It's not the first time it has been suggested it's been suggested by academic lawyers for centuries. But it's the first time that there's been a specific proposal to act upon it. One note of caution I would sound though, and it's this. I think in Australia we are very well served by an inquiring and demanding media. Sometimes we in politics find that a bit taxing, but nevertheless I think Australia is very well served by the media and our democracy is a very transparent democracy partly for that reason. I would be most reluctant to see any recommendation adopted by the government which might, as the press are fearful of, would impose limitations on freedom of the press.

BEGLEY: Do you both feel that the media respects your privacy. You are both public figures by the nature of your job. Do you ever feel that your privacy is invaded by the news media? Dr Emerson.

EMERSON: No I don't. I'm not saying it never happens to colleagues of any political party. In my own case I don't think so. I've been through some tough times, but you are in but public arena and wherever there has been criticism, it has been more related to policy issues and to the handling of portfolios, so I don't have any complaints. I would agree with George to the extent that understood what he said. I would agree to make sure that the democratic right of the journalist, and the medium more generally were to inquire into the behaviour of politicians were not unduly limited.

BEGLEY: While you are in agreement gentlemen, just hold your thoughts. We're going Inside Canberra this morning. We are going to put you on hold for a short time. We are going to hear from Gayle Burke with some news headlines. But afterwards I want to hear from both of you on your favourite Olympic moment. Try to think of something you have seen in the last couple of days, or perhaps you think there is going to be a favourite Olympic moment created today or later in the week.

News headlines

BEGLEY: Thanks Gayle. We're Inside Canberra on 612 ABC Brisbane, speaking with George Brandis and Craig Emerson. Gentlemen, you got a little riled up over Fuel Watch and the pension, but something that can get you more riled is the Olympic Games and a pet favourite event we look forward to seeing. Senator Brandis, what are you most looking forward to seeing across the games or have you had that Olympic moment so far?

BRANDIS: Well a couple of things. I think when Stephanie Rice won the gold for the 400m individual medley, that was a great moment. There was a great news photo too of the Prime Minister cheering from the stands as the Australian came in first and poor President Bush sitting in the row in front looking glumly as the American came third. So that was very good.

EMERSON: George will get over it.

BRANDIS: The particular event that I look forward to, staying with the swimming, is the 1500 metres. I think that is the blue ribbon event and all our thoughts and prayers and hopes are with Grant Hackett on that.

BEGLEY: Certainly, fingers and toes crossed on that. Craig Emerson, what's your favourite event, when everything else just get put on pause and you stand transfixed?

EMERSON: A bit unusual, the women's water polo. I went into a lucky dip back at the 2000 Sydney Olympics when not many people applied for tickets for the women's water polo final. And amazingly, not only did we get them, but Australia was in the final and in the last few seconds they beat the United States. It was one of those great moments in sporting history. It took us about an hour to leave the poolside. It was just fantastic. So I hope they do very well. I think there are quite a few Brisbane girls in that. In terms of that of wonderful moments that have already occurred, I was so happy for Leisel Jones. I remember when she was a 14 years old with pink, I think they were blue nail polish, and here she was full of potential and she missed out in Athens. She's actually done it, she has a medal in her own right and I think that is wonderful. One other, remember the story of the Jamaican bobsled team? (inaudible)

BEGLEY: Did either of you have hopes of becoming an Olympic champion, and if so, what pet event of did you dream of standing on the dais and accepting a gold medal. Senator Brandis.

BRANDIS: I have to candidly say Terri, that at no stage of my life did I hold out even the remotest hope of being an Olympic champion.

EMERSON: There's still hope George.

BRANDIS: laughs.

BEGLEY: Perhaps political debates.

EMERSON: That's right. It would have to become an Olympic event, and I would recommend against it.

BEGLEY: And Craig Emerson, what did you want to be holding that gold medal clutched in your hand for?

EMERSON: I was a half-handly high jumper and was selected for North West NSW to go to the Sydney Cricket Ground as a 15 year old. But it was too daunting to represent that division at the state championships. I went on again to become the college athletics champion at St Pat's at Strathfield, but didn't grow enough and went onto university and went in a different direction. But I do love watching the high jump, partly for that reason.

BEGLEY: Well we all love watching it. It is just poetry in motion isn't it? We are all very fortunate that the Australians are all doing so well so far with the hope of more gold glory to come. Gentleman, thanks for your time this morning.

ENDS.