



THE HON DR CRAIG EMERSON MP
MINISTER FOR TRADE

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Subjects: Economic 'Hansonism'; Australian Stock Exchange.

HOST: Our correspondent in Canberra, Melissa Clarke, spoke to the Trade Minister, Craig Emerson, a short time ago. She began by asking him if the Government was struggling with the economic reform agenda.

EMERSON: Reform is always hard and Julia Gillard understands that. It is certainly made a little easier if you get bipartisan support for at least the essential features of a reform program. But we're not getting that. John Howard has been in the news a lot, just in the last 24 hours, and I will acknowledge, as I have done before, that John Howard, when he was the Opposition Leader during much of the 1980s, overwhelmingly lent bipartisan support to the big economic reforms of the Hawke Government, and then later the Keating Government. That was very important. It's missing now because Tony Abbott is not prepared to do that. I think he's still sulking over the result of Labor forming a government. And he's basically said that he's going to be brutal, he's going to be ruthless – well fine – but don't try to wreck the reform program of this government.

CLARKE: But John Howard has said that when he was in power, Labor didn't give bipartisan support to his economic reforms and that Labor fought viciously over things such as the GST and reform in the workplace. So is the Opposition doing no differently to what the Labor Party did when they were in opposition?

EMERSON: Well, that comes down to a definition of reform. If WorkChoices is regarded as a reform by the Coalition, then we don't agree. We don't agree that WorkChoices was a big economic reform. We think it was an unfair piece of legislation and we pledged to change that. That doesn't make us anti-reform.

CLARKE: The GST was a big reform that you've now accepted now you're in power.

EMERSON: And we did oppose that at the time that is true. And I was one of the leading opponents of the GST because we believed that the disadvantaged would be more disadvantaged as a result of that. And of course there was supposed to be all these marvellous economic benefits flowing from it. I'm not asking for Coalition support for every policy that we might call reform. What I am saying is that genuine reforms deserve genuine support. And Tony Abbott is taking on a Hansonist hue in the way that he is setting himself up with his Shadow Treasurer, Joe Hockey, to oppose economic reforms. Putting a price on carbon; we've got no support from the Coalition in relation to the Murray-Darling Basin system. And now this loopy, crazy proposal from Joe Hockey to re-regulate the financial sector, including even the possibility that he entertained last week of regulating interest rates, is crazy stuff.

CLARKE: Why is the Government using – or invoking – the name of Hanson? Why are you taking that as a deliberately provocative way of labelling them as economic Hansonism? Why are you bringing that back in?

EMERSON: If you go to the very right of the conservative side of politics you will find an interventionist philosophy. You'll find an anti-reform philosophy. That is, bring back tariff walls to protect Australian industry; let's have anti-competitive practices to protect favoured businesses from competition. This is the sort of philosophy you'll find on the far right of politics in Australia, in the United States –

CLARKE: So why don't you just say that? Why do you invoke the name of Hanson and bring back in to the (inaudible)

EMERSON: Because who is sitting on the far right of politics? That was Pauline Hanson. She's very well known for what in her case was a very xenophobic approach to economic policy. Now, I'm not saying that Joe Hockey and Tony Abbott are being xenophobic, but they are certainly embracing the sorts of anti-reform rhetoric that Pauline Hanson used to espouse.

CLARKE: But then you could also say it is Katter-style economics, because he's calling for state intervention on things like the Australian dollar. You're not invoking his name, are you?

EMERSON: Well, we could say LaRouche, if you like, or the Citizens' Electoral Council. The point is there is a position on the far right of politics that is occupied by people who are anti-competition, anti-market. Pauline Hanson is well known for occupying that position. Now she is joined by Tony Abbott and Joe Hockey.

CLARKE: All right, I'd like to move on to the issue of the Australian Stock Exchange and the possibility of the merger with the Singaporean Exchange. Joe Hockey has said this morning that it is up to

Wayne Swan to sell this, to explain to the Australian public why it is in Australia's national interest. He's raised questions about the fact that it being a monopoly at the moment, being taken over by the Singaporean Exchange, which is partly owned by the Singaporean Government, raises questions. Is it Wayne Swan's responsibility to explain why this deal is in the nation's interest?

EMERSON: Well, there you go again, and this is the very point that I'm making. This is a proposal that will be assessed by the relevant authorities. And those relevant authorities will make the assessment on the basis of the national interest. Now, Joe Hockey knows that. He used to be in government not so long ago. But here he is again now: 'it's up to Labor to sell this particular proposition.' What this government will do is what a responsible government should do and allow the regulators to make their assessment. But Joe's in there because he thinks there might be a few votes. He might be able to say, 'Well what are these Singaporeans doing coming here?' I had another colleague of Mr Hockey saying, 'Well, it's a takeover by the Singaporean stock exchange.' You know, this sort of murky approach to muddying it up and just making it look like something sinister –

CLARKE: There's nothing wrong with raising concerns about -

EMERSON: And I've already made this point: there is nothing wrong with asking questions, but once you start getting into this process of, 'it's up to Wayne Swan to sell this'... He knows – Mr Hockey knows – this is now a job for the independent assessment process to go through to determine whether, objectively, it's in the national interest. Not whether Joe Hockey and Tony Abbott believe it's in the national interest, but whether it is or isn't in the national interest.

CLARKE: Alright, we'll leave it there. Craig Emerson, thank you for joining us.