



**HON CRAIG EMERSON MP**  
**MINISTER FOR SMALL BUSINESS, INDEPENDENT CONTRACTORS AND THE**  
**SERVICE ECONOMY**  
**MINISTER ASSISTING THE FINANCE MINISTER ON DEREGULATION**  
**MINISTER FOR COMPETITION POLICY AND CONSUMER AFFAIRS**

**Transcript of interview ABC News Radio Drive Program with *John Barron* 3 July 2009**

*JOHN BARRON:* Returning home, and there are some encouraging signs for the struggling car industry today, and perhaps for the wider Australian economy as well. Figures from the Federal Chamber of Automotive Industry show almost 103,000 vehicles were sold in the month of June. That is the third highest selling month ever, with small commercial vehicles leading the charge.

The Minister for Small Business, Dr *Craig Emerson*, says it is certainly it is an encouraging result.

*CRAIG EMERSON:* You know the car sales figures are really good news for the economy. They build on retail sales figures earlier in the week, which are also very strong and they indicate that Australia is performing better than any other advanced country in the world, through this deep global recession.

*JOHN BARRON:* Why has it happened do you think?

*CRAIG EMERSON:* In relation to the car sales, there's no doubt that the Government's small business tax break has stimulated sales to these very high levels. That's been recognised by the Federated Chamber of Automotive Industries. And I think generally the stimulus package has been very helpful in returning reasonable levels of consumer confidence and business confidence, and when people are confident, they tend to spend more.

*JOHN BARRON:* Is it too much though minister, to hope that these numbers will hold up given that a lot of people in business make these sort of purchases towards the end of the financial year, that's when you get the bargains, plus the tax break on top of that, all sort of help to bring these numbers up perhaps.

*CRAIG EMERSON:* Yeah, and I think that's a reasonable analysis that, of course, at the end of the financial year there does tend to be a bit of a surge in purchases of motor vehicles and

other assets. But it's for that reason that we decided to extend the small business tax break to the end of the calendar year and to increase the rate from 30 per cent to 50 per cent. So there are still strong incentives for small businesses to upgrade not only their motor vehicles, but any plant and equipment that's depreciable, because this small business tax break applies to depreciable plant and equipment.

So we'll keep the stimulus going. And we're going to have 35,000 construction sites around Australia within a year, through this nation building infrastructure investment. Again, that's a lot of work, a lot of income and a lot of confidence and I think if we could summarise one of the key challenges during an economic slowdown, it's talking the economy up, not talking it down, to boost small business confidence, to boost consumer confidence, because that's when the sales occur.

*JOHN BARRON:* Minister, before I let you go, a week ago we spoke when you'd just announced the Government was withdrawing its support for the Choice involvement in the Grocery Choice website. They're still unhappy about it and looking at their options. They might continue on without you. Have you had a rethink, at all, in the last seven days?

*CRAIG EMERSON:* No, I haven't. I was concerned about the reliability and timeliness of the price information. It would have amounted to a requirement of 10 million prices per week. It's a big task to get that right and I didn't want consumers to feel that inadvertently they'd been misled because the idea of looking up the website and finding out, for example, that T-bone steak at Coles at Maroubra was listed at \$11.99 a kilo, and they go in and it's \$13.99 a kilo, they'd probably get pretty upset about that.

So I was just worried about the timeliness of the information.

*JOHN BARRON:* Even though, I mean, you know, having spoken to retailers, they do admit well that information is there, because they have to be able to run things through the till to charge people, so the information is there. It's just a matter of accessing that information.

*CRAIG EMERSON:* Well it's in a timely fashion, you see. Prices move around a lot in retail stores, particularly for fresh food items, whether they're greengroceries or meat. And the information is there, as you say, on a real time basis, but by the time that is then distributed and posted on a website up to a week later, then it is out of date. And that was my concern that people would expect that when they clicked onto their suburb and put together their shopping basket and got a grand total for each of the local stores; went in and bought exactly those same products at their store of choice, would say well, hold on, this total is different to the one that I got on the website, therefore, someone's trying to pull the wool over my eyes. Now that was not actually the case. Choice was not trying to pull the wool over people's eyes, but because of these information technology constraints and the fact that supermarkets change their prices not only every day, but during the day, I was concerned that customers might feel that they'd been misled.

*JOHN BARRON:* During the week, as well minister, you announced the beginning of the era of unit pricing in supermarkets, but in a lot of cases that's not going to appear, or it's not going to be required to appear until December. Why is it taking that long?

*CRAIG EMERSON:* Just to get it up and going, but Aldi has been doing it since 2002. Coles and Woolworths are rolling it out right now, so they'll be in good shape to do it. Franklins has already done it. So there's four and they cover a lot of the supermarket retailing industry. Small IGA stores will not be obliged to do it, because we're concerned about the compliance cost for those, but they can come in on a voluntary basis. So it really was just to make sure that we got it up and running and it worked well. But it looks pretty clear that it's going to happen much sooner rather than later.

*JOHN BARRON:* Dr *Craig Emerson*, many thanks indeed for your time once again.

*CRAIG EMERSON:* Bye bye.

\* \* **End** \* \*