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Transcript  
ABC News Breakfast, ABC2  
Friday 24 July 2009

Interview by Virginia Trioli  
with Minister Craig Emerson

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Subject: Cartel laws; ETS; Tony Abbott's aspirations.

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**JOE O'BRIEN:** Now as we've been reporting this morning the Australian Competition and Consumer Commission has been given more powers to punish companies engaging in price-fixing.

**TRIOLI:** The Minister for Small Business and Consumer Affairs Craig Emerson joins us now from Canberra to talk through these new laws. Craig Emerson good morning and thank you for joining us.

**EMERSON:** A pleasure Virginia. It's very cold here in Canberra but it's great to be on the show.

**TRIOLI:** Ah well I'm glad you made it through the blistering cold of Canberra. What's the climate been like though out in the Australian business world when it comes to companies getting together and colluding? Has it been so greatly at large that you needed to introduce new laws?

**EMERSON:** There already were laws under the Trade Practices Act against collusive behaviour but we're really upping the ante dramatically by imposing or providing for jail terms of up to 10 years for serious cartel behaviour. That will be administered, I'm sure, by the competition watchdog the ACCC without fear or favour. So people who engage in serious cartel conduct need to be aware that from today, from today those jail penalties apply. So this is an attempt by the Government that was never attempted by the previous Government to send a very strong signal that we're on the side of the consumers and we do not want to have serious, or even minor, cartel behaviour going on in this country.

**TRIOLI:** So do you believe that there actually has been, in the Australian business world, a great deal of collusion that we've been unaware of?

**EMERSON:** Look there is an enormous majority of good business people here in this country but sometimes the temptation just gets too great and people do seek to engage in cartel behaviour. From now on, and they need to know this too Virginia, that they won't be able to negotiate their way down from fines and penalties, sorry, to fines and penalties, from a prospective jail term. If the competition watchdog pursues them, on the basis of criminal behaviour, that will remain the case and they won't be able to say well we'll cop a \$5 million or \$20 million fine to avoid going to jail. The competition watchdog is very serious about this. So is the Rudd Labor Government. It was recommended way back in 2003, in a Dawson

report that was commissioned by the previous Government but never implemented by them. Implemented by the Rudd Labor Government, starts today.

**TRIOLI:** And has it been hastened, or has it been brought to a head, by the Visy-Amcor matter? Can we in some way say these are sort of Dick Pratt produced laws?

**EMERSON:** No I don't think we can say that, but I can say that the law will be applied without fear or favour. It was a pre-election commitment of the Rudd Government. My predecessor Chris Bowen moved very quickly on this and we got the legislation through the Parliament a little while ago but it starts today. So it's as much about, it really is about the future and a very strong message – do not even think of engaging in collusive activity or cartel behaviour because the penalties from now on will be severe.

**TRIOLI:** Craig Emerson it would seem that at least according to a piece written by Tony Abbott in News Limited papers today in *The Australian*, that he's raised the white flag when it comes to opposing the Government's Emissions Trading Scheme. Is that how you read it and what do you believe should happen in the Senate now?

**EMERSON:** Well look I'm as confused as anyone is about the Coalition's position on this. Yes, Tony did write that piece and I've read it. Yet yesterday Nick Minchin said that the Coalition will vote down the ETS in the Senate in August. So we hear calls this morning from Scott Morrison, from Tony and others saying well let's get together with the Government and talk about it first. Who do we talk to? Do we talk to Tony Abbott? Nick Minchin? Malcolm Turnbull? Maybe we should talk to Wilson Tuckey. We don't know who to talk to. They are completely divided on this and I don't think they're fair dinkum. So it's very hard to work out what their real position is. They're as divided now as they ever were. And then you've got the Nationals, Barnaby Joyce and Ron Boswell saying they'll never support it under any circumstances So who on earth would we talk to?

**TRIOLI:** Well it does seem now though that if we look at what the leader's been saying, at what Malcolm Turnbull's been saying, and now a key supporter of his and a heavy-weight frontbencher there, Tony Abbott, it would seem that you're gathering the support behind you now that you need to get the legislation through. Is that the way that you predict that the vote might go in the Senate when it comes to Liberal Senator votes?

**EMERSON:** Well the Liberal Senate I think is led by Senator Nick Minchin who has said as recently as yesterday that they will vote it down. So you've got Tony Abbott, Malcolm Turnbull saying look we want to talk, we want to try to get this through. We've got Nick Minchin saying we will vote it down and he said every Liberal Senator will. He's not speaking for Barnaby Joyce. Barnaby Joyce, the leader of the Nationals in the Senate has said every National Senator will vote it down. Every Liberal, every National Senator will vote it down. And then they say, well, can we talk to you? What? To tell us that they're going to vote it down? We know that. They keep telling us that through the media.

**TRIOLI:** So have they handed away any ability now to try and negotiate with you, to try and get some amendments through by saying this?

**EMERSON:** Well I think fundamentally they need to get their act together. They're proving to be more like F Troop at the moment. You know Wilton Parmenter, Sergeant O'Rourke and ...

**TRIOLI:** You're giving your age away again Craig Emerson.

**EMERSON:** Yeah I know, I know. I haven't got to Wrangler Jane and Vanderbilt, Private Vanderbilt, but there's plenty of them. And I tell you, they will have to get their act together

before they can credibly go to the Australian public, let alone initiate discussion with us on what they are actually intending to do. I don't know whether Malcolm Turnbull could carry this in the party room. There are plenty of people who are saying that he couldn't.

**TRIOLI:** Okay let's have a look at this. This is the front page of *The Australian* today. And of course, we know that extracts from Tony Abbott's book on conservative politics will be published tomorrow in *The Australian*. There's a photograph, I hope you can see that there Craig Emerson, of Tony Abbott surfing the waves at Manly in his electorate. Is this the beginnings of Tony Abbott's construction of himself as a potential leader of his party do you think?

**EMERSON:** He might be transforming himself from a dry to a wet by the look of that photograph. But I guess the old Tony will be hanging ten and see what happens in response to the book. But look, one thing I will say about Tony Abbott, while I don't agree with a majority of his views at least he remains true to his views. He's a true Liberal. You've got others including the Leader of the Opposition, he's wet, he's dry, he's left, he's right, he's backward, he's forward. You don't know where Malcolm Turnbull stands philosophically. At least in relation to Tony Abbott what you see is what you get. You mightn't like it but he's pretty consistent.

**TRIOLI:** Good to talk to you, Craig Emerson thanks so much.

**EMERSON:** I could sing F Troop.

**TRIOLI:** I'm always afraid that you will. Thanks. See you again.

Ends.