

**Transcript – ABC ‘Lateline’ 11 July 2014 – [Full report here](#)**

EMMA ALBERICI, PRESENTER: Clive Palmer appears to be holding the Abbott Government to ransom, to ensure savings associated with the repeal of the carbon tax are passed onto consumers.

But the Australian industry group has told Lateline that this could create a regulatory nightmare for businesses, both big and small.

The Prime Minister is playing down the last minute capitulation, and says he's keen to work on a compromise and get it through the Parliament next week.

From Canberra, Anna Henderson reports.

ANNA HENDERSON, REPORTING: Nothing to see here.

TONY ABBOTT, PRIME MINISTER: We have got situation normal.

ANNA HENDERSON: And as for the Senate shenanigans...

TONY ABBOTT: There's been lot of colour and movement in the Senate.

This is the kind of thing you could expect with a new Senate.

ANNA HENDERSON: Palmer United Party Senator Jacqui Lambie has a different version of what took place.

JACQUI LAMBIE, PALMER UNITED PARTY SENATOR: They were hoping that they would be able to bluff their way through this all week, and they got caught with their pants down.

ANNA HENDERSON: The Government had banked on the carbon tax being repealed by the Senate yesterday.

At the very last minute, the Palmer United Party decided to help block the bill...

CLIVE PALMER, PALMER UNITED PARTY MP: It doesn't look like the carbon tax is going to go through in the Senate today.

ANNA HENDERSON: ...arguing it doesn't ensure businesses will pass on the savings to consumers.

BILL SHORTEN, OPPOSITION LEADER: This week's farce, I put squarely at the fault of the feet of the Government, because they're too arrogant to be able to ever admit that they need to negotiate or work out something which is not just 100 per cent what Tony Abbott wants.

ANNA HENDERSON: The Prime Minister says he wants to work on a solution with the cross bench.

TONY ABBOTT: It will be quite a complex task.

Of course it will be that.

But we're up for it.

JACQUI LAMBIE: Instead of blaming the cross-benchers for the Coalition's incompetence, he may want to have a very good look at his own team.

ANNA HENDERSON: The Palmer United Party put forward an amendment that now has to go back to the Lower House.

It would require an entity to explain and substantiate how the repeal is affecting its costs, and how that's reflected in pricing.

The bill describes an entity as any individual, body corporate, partnership, trust or party that can or does buy or sell electricity or gas.

INNES WILLOX, AUSTRALIAN INDUSTRY GROUP: What the Palmer United Party has put forward is a series of amendments which can be - if they are interpreted as we interpret them and others interpret them - as being very difficult for business, extraordinarily difficult for business.

ANNA HENDERSON: Business leaders are warning of wide-ranging impacts.

INNES WILLOX: Is it going to be caught up in some regulatory nightmare that's just going to erode their confidence into the future.

ANNA HENDERSON: Innes Willox says caravan parks buy electricity and sell it on to their tenants so they could be liable.

He's also pointed to shopping centres, which again purchase power and on-sell it to small businesses.

There is hope for a compromise.

INNES WILLOX: We take this as being week one of a new Senate, some teething problems, some muscle flexing going on.

ANNA HENDERSON: There's even confusion within the Palmer United Party (PUP) about what the changes mean.

Senator Dio Wang says the demands would apply to any business, but that's been contradicted.

JACQUI LAMBIE: It's just gas and electricity.

ANNA HENDERSON: The PUP has claimed victim status in the Senate negotiations.

CLIVE PALMER: I think you call it double crossing people.

NICK XENOPHON, INDEPENDENT SENATOR: To suggest that there was some sort of duplicity on the part of the Government is simply not right.

ANNA HENDERSON: The Palmer United Party will now go back to the drawing board on the amendments, in consultation with the Government.

The ABC understands the changes are designed to ensure the penalties only apply to the electricity and gas sector.

But the chaotic developments of the past week are being interpreted by some as evidence Clive Palmer's real aim is to make continuing parliamentary trouble for the Government, with the aim of forcing a double dissolution election.

Anna Henderson, Lateline.