

# Interview with Karl Stefanovic and Lisa Wilkinson – Today Show

**LISA WILKINSON:**

Now, it is a huge weekend for millions of sports fans across the country as grand finals fever sweeps the nation.

**KARL STEFANOVIC:**

And one of the fans joins us now. Prime Minister welcome. Round of applause for the PM everyone.

[Applause]

**PRIME MINISTER:**

Thanks very much.

**KARL STEFANOVIC:**

Are you all kinds of pumped for this weekend?

**PRIME MINISTER:**

The energy in Melbourne particularly here in Tigerland, is amazing.

**KARL STEFANOVIC:**

Yeah its good. There's lots of security around too, beefed up. Are you comfortable with everything, that both codes can handle it?

**PRIME MINISTER:**

Yeah there's a lot of planning goes into the big events. Ever since some of the attacks last year, particularly the Nice truck attack, we have ramped up the protection of crowded places, big national strategy, working with the owners of venues like 'The G' and commercial centres, local government, states, a lot of effort's been put into it, believe me.

**LISA WILKINSON:**

Will people arriving at the games feel that heightened security? Or is there a lot of undercover surveillance that's going on as well?

**PRIME MINISTER:**

We always try to make the security as unobtrusive as possible, but people will notice there is more security. But the main thing is to keep people safe.

**LISA WILKINSON:**

Yeah.

**KARL STEFANOVIC:**

PM the same-sex marriage debate has crept into both codes in the lead up to these grand finals. Your thoughts?

**PRIME MINISTER:**

Well, Lucy and I support a 'yes' vote. We've actually already voted.

**KARL STEFANOVIC:**

Yep.

**PRIME MINISTER:**

As have a lot of Australians, there has been a very high turn out. The survey has actually been embraced, I think, people really like having their say. We've encouraged people to vote 'yes' and the NRL and the AFL are supporting 'yes' and they're entitled to do so.

The AFL, I mean both codes, have been champions of inclusiveness whether it's women, women's sport, women's AFL in particular has been a big hit. You know the whole ensuring that there is more and more indigenous participation. Look at the work Bachar Houli does here, with the Bachar Houli academy. I've been down here a few times supporting him, it's fantastic.

You know these codes, all the big sports, are a means of bringing Australians together, whatever their racial background, religious background, sexual orientation, gender. You know we are the most successful multicultural society in the world. We're inclusive and the basis of that is mutual respect and sports bring everyone together.

**LISA WILKINSON:**

We've had a lot of talk about US rapper Macklemore singing at the NRL Grand Final with his song that very much celebrates sex, same-sex marriage. What do you say to people who say they don't want politics mixed in with their sport?

**PRIME MINISTER:**

Well, it's a question of respecting the artist. I mean that's one of his top songs, it's one of his hits. People expect him to play it. He wants to play it. The NRL supports same-sex marriage, what's the problem? Honestly, I don't think trying to censor the playlist at halftime entertainment is – it's certainly not my role. I look forward to it.

**KARL STEFANOVIC:**

Are you familiar with Macklemore?

**PRIME MINISTER:**

Not very. I was joking last night and I said ever since Tupac I'd lost interest in hip hop.

[Laughter]

Look, to be honest the rappers, all the songs sound pretty similar to me.

**KARL STEFANOVIC:**

Oh come on PM!

[Laughter]

Hey, also he has come out saying that he has copped a lot of flak from 'angry white dudes'. Is Tony Abbott an angry white dude?

**PRIME MINISTER:**

Well he is certainly a white dude and I guess it depends on his mood at the time.

**LISA WILKINSON:**

Are you sick of Tony Abbott chiming in yet?

**PRIME MINISTER:**

Well, I'm very patient and I've got a lot of respect for everyone. Everyone is entitled to have their say and if people want to express views on songs or anything else, they're entitled to do so.

But I'm for free speech and in this case for the artist's bill of rights to sing his song. I mean, in 1991 at the NRL Grand Final the Village People did 'YMCA'. I mean that's –

**LISA WILKINSON:**

Gotta bring them back!

[Laughter]

**KARL STEFANOVIC:**

Do you regret that some of the debate has got ugly?

**PRIME MINISTER:**

Well, its got ugly at the edges Karl.

**KARL STEFANOVIC:**

Yeah.

**PRIME MINISTER:**

The media do tend amplify a relatively small number of ugly incidents. Every single one of which is to be deplored and condemned, but overwhelmingly Australians have embraced this debate with goodwill and respect. You know, I did a 'Politics in the Pub' in Caloundra recently at an RSL actually, with the local members Andrew Wallace and Ted O'Brien. They had a big crowd there, 300 people. There were people who were for same-sex marriage or legalising it and there were people who were against it. Each side listened to the other with respect. It was very respectful. You know, I made clear that I supported it. Nobody, you know, challenged me or objected to that. It was a very respectful discussion and that's what's happening overwhelmingly.

**LISA WILKINSON:**

Yet if you talk to a lot of gay people, they say that they are suffering vilification that they have never felt before in Australia.

**PRIME MINISTER:**

Look, I think there's been a lot of intolerance in years passed, there's no question about that, towards gay people. Legalising same-sex marriage, recognising that at the heart of marriage is commitment – that's what marriage is all about –

**LISA WILKINSON:**

And love.

**PRIME MINISTER:**

Love of course, that's the foundation I suppose. Love is the foundation but it's about commitment. The enemy of marriage is lack of commitment.

You know, if Lucy and I, who will have shortly have been married for 38 years, if a gay couple down the road or around the corner get married, that's not going to affect our marriage. In fact, them showing their commitment underlines the importance of commitment.

**KARL STEFANOVIC:**

So no regrets on the plebiscite?

**PRIME MINISTER:**

No, well look, we took it to the election Karl. I mean, I made a commitment at the election to give everyone their say and I'm honouring that commitment.

You know, nobody is saying that I've broken election promises. How long has it been since you've had a Government nearly halfway through its term after the election, where people aren't saying: 'You've broken all these promises'?

We have just honoured the commitments we've made. As you know, we've got an

extraordinary amount of legislation in the Parliament, notwithstanding we don't have a majority in the Upper House.

**KARL STEFANOVIC:**

Here's something I didn't know about you and if I've got it wrong, please let me know, I'm sure you will. You were the man who brought *Playboy* to Australia. Tell us more.

**PRIME MINISTER:**

Well Kerry Packer sent me over to Chicago in about '78 to negotiate the licensing deal for *Playboy* in Australia. So I spent about three – not in the *Playboy* mansion, I regret to say –

**LISA WILKINSON:**

Did you ever get to the *Playboy* mansion?

**PRIME MINISTER:**

No, no –

**LISA WILKINSON:**

Seriously –

**PRIME MINISTER:**

I know, everyone wants, they want to hear stories about the *Playboy* mansion. I tell you, I went to Chicago. In those days Hugh Hefner had already moved to LA, but his daughter Christie was running the company. I negotiated with her you know, in their office building in Chicago. I was there for about three weeks and we got the deal done and as you know the following year, I think in February '79, Kerry launched the Australian edition of *Playboy*.

**LISA WILKINSON:**

With, I think Karen Pini as the very first centrefold in *Playboy*. So you never made it to the –

**PRIME MINISTER:**

Yeah. Those staples must have hurt.

[Laughter]

**LISA WILKINSON:**

An oldie but a goody. A good dad joke.

**PRIME MINISTER:**

Staple in the belly button.

**LISA WILKINSON:**

You never made it to the Grotto? That infamous pool at the *Playboy* mansion?

**PRIME MINISTER:**

No, I didn't. No, I was –

**LISA WILKINSON:**

Do you feel like you missed out?

**PRIME MINISTER:**

I was a very focused young lawyer you know, just doing my job.

[Laughter]

**LISA WILKINSON:**

Of course.

**PRIME MINISTER:**

For Kerry, getting the deal done.

**KARL STEFANOVIC:**

Well, you got it done. Before you go, can we get your tips for both, first of all the AFL Grand Final?

**PRIME MINISTER:**

Yeah, well Richmond.

**KARL STEFANOVIC:**

Richmond?

**PRIME MINISTER:**

Yeah, Tigers.

[Applause]

Okay, now all of you here have forgotten more about AFL than I'll ever learn, so I say this with modesty and humility; but based on my advice and –

**KARL STEFANOVIC:**

Research.

**PRIME MINISTER:**

A bit of research, I would say Richmond by five.

**KARL STEFANOVIC:**

Nice.

**LISA WILKINSON:**

And what about NRL?

**PRIME MINISTER:**

Yeah, Cowboys.

**KARL STEFANOVIC:**

Cowboys!

**PRIME MINISTER:**

Yeah, Cowboys, the sentimental favourite, I know that won't be popular in Melbourne, but –

**LISA WILKINSON:**

Do you want to give us a score? By how many points in each?

**PRIME MINISTER:**

Well I'll say the Cowboys by four.

**LISA WILKINSON:**

Okay and the AFL?

**PRIME MINISTER:**

By five, Richmond by five. But it'll be a very close game. Richmond will be trying to – they will be much more defensive, stronger in the middle.

**KARL STEFANOVIC:**

PM, can we get you to kick this ball out into the oval? You want to see this everyone?

**LISA WILKINSON:**

Go on. You've got to make up for that basketball shot Prime Minister.

**PRIME MINISTER:**

Alright, I'll handball. Okay, here you go.

**KARL STEFANOVIC:**

Woah!

**LISA WILKINSON:**

There you go.

**PRIME MINISTER:**

Handball, righto. Alright.

**KARL STEFANOVIC:**

Thank you PM.

**LISA WILKINSON:**

Thanks Prime Minister.

**[ENDS]**

---

## **Radio interview with Cliffo and Loggy** **– HIT 103.1FM**

**LAUREN TEMUSKOS:**

We've got the top dog, he wants in, he's waiting on the phone so let's welcome him to our show, Prime Minister of Australia, Malcolm Turnbull.

**GUY CLIFTON:**

Hello Malcolm! Good morning!

**PRIME MINISTER:**

G'day, good morning. Great to be with you. How excited are you guys?

**GUY CLIFTON:**

Oh mate.

**LAUREN TEMUSKOS:**

Oh Malcolm, I'm sweating all the time I'm so excited.

**GUY CLIFTON:**

The town is absolutely alive and I'm glad you bring the whole Cowboys into the Grand Final thing because you are a Roosters supporter, aren't you Malcolm?



**PRIME MINISTER:**

I am, I am and I was heartbroken when they were knocked out of the competition by the Cowboys, but I am over that, I've got over that and I'll be supporting the Cowboys, barracking for the Cowboys.

**GUY CLIFTON:**

Okay! You will be!

**PRIME MINISTER:**

I will be yeah.

**GUY CLIFTON:**

We weren't sure because after of course the Roosters got a plucking – and I'm saying plucking with a 'p' there – by the Cowboys, we thought you might be, you know '#TeamStorm'.

[Laughter]

**PRIME MINISTER:**

#anyonebuttheteamthatgotmineoutofthecompetition

**LAUREN TEMUSKOS:**

Yeah, pretty much.

**GUY CLIFTON:**

Yeah, that's right.

**PRIME MINISTER:**

No I think, look, it is just an amazing Cinderella story isn't it? I mean, no one gave you a chance. The Cowboys, were they eighth in the finals?

**GUY CLIFTON:**

Yeah, they were.

**PRIME MINISTER:**

Yeah, so, what an extraordinary climb back and to do all of that without JT is amazing.

**LAUREN TEMUSKOS:**

Are you going to the Grand Final on Sunday?

**PRIME MINISTER:**

We'll be there! I will be there.

**LAUREN TEMUSKOS:**

Okay, are you going to leave the baby and the beers at home, so there is no controversy?

[Laughter]

**GUY CLIFTON:**

Wasn't that a storm in a teacup!

**PRIME MINISTER:**

It's a bit late for baby Alice. She's better in the afternoon.

**GUY CLIFTON:**

While we are on the whole footy thing, what do you make of the airlines upping the airfares the moment the Cowboys got into the Grand Final?

**PRIME MINISTER:**

Yeah well look, I've heard about that, I'm concerned about it. I actually just put the phone down to Alan Joyce who is the Chief Executive of Qantas.

**GUY CLIFTON:**

Wow.

**LAUREN TEMUSKOS:**

Yes?

**PRIME MINISTER:**

Now Alan has said to me that they have put on some extra flights, some extra services and he is looking to put on some more. And I have encouraged him to do that.

**LAUREN TEMUSKOS:**

Good on you! Hey, can I just ask, I know, we know the President of the United States has Air Force One. What do you get around in Malcolm? Is it a new plane or is it like an old Ansett one or what is it?

**PRIME MINISTER:**

Well, John Key who is the former prime minister of New Zealand, nicknamed the Air Force plane that flies me around 'Wombat One,' which I think is a fantastic name.

[Laughter]

It's a great name!

**LAUREN TEMUSKOS:**

'We are coming in now, Wombat One'.

**PRIME MINISTER:**

Wombat One! Yeah, it must be about 10 or 12 years old. It's a 737, it's a Boeing Business Jet.

**GUY CLIFTON:**

Right.

**PRIME MINISTER:**

And they've got a couple, they've got two of those.

**LAUREN TEMUSKOS:**

Cool.

**PRIME MINISTER:**

And they mostly fly me and the Governor-General but they're used for other purposes as well.

**LAUREN TEMUSKOS:**

Party planes!

[Laughter]

**GUY CLIFTON:**

Wombat One.

**PRIME MINISTER:**

Hard work, all the time.

**GUY CLIFTON:**

They sound big and clunky and chunky don't they? Wombat One.

Hey while we've got you on, we've been doing a lot of content of the show recently concerning same-sex marriage. The postal survey, it started a couple of weeks ago, how do you make, well what do you make of the survey so far Malcolm?

**PRIME MINISTER:**

Well Lucy and I support 'yes'. We voted 'yes' in the survey and you know you would've seen me post it on Facebook, us actually posting the surveys back. So I encourage everyone to get their survey back. My impression is – and we'll get some official figures early next week I believe – but my impression

is that there's been a very high turnout. You know, a lot of people said everyone will just throw it in the bin, they won't participate. I think its going to be a very high turnout, particularly for a voluntary postal vote. It's now in the hands of the Australian people, but I think that while there've been a few ugly incidents, overall the debate has been very respectful and that's been good.

**LAUREN TEMUSKOS:**

Okay.

**GUY CLIFTON:**

And if it does come to pass and it passes through Parliament and all that, how long before same-sex couples will actually be married. Is it a pretty quick turnaround after that or?

**PRIME MINISTER:**

Let's say it gets passed, it should be fairly, it should be very fast. I mean once a bill is passed through the parliament it's simply a question of getting the Governor General to sign off on it. Whether a same-sex marriage could occur before Christmas I couldn't say, but it will follow very rapidly. Once the people have spoken – assuming they say 'yes' of course that's the big assumption – assuming that people say 'yes' Parliament will ensure that the will of the people is carried out rapidly.

**GUY CLIFTON:**

Alright.

**LAUREN TEMUSKOS:**

Alright, good to hear.

**GUY CLIFTON:**

Well we've learnt he's voting 'yes', he flies around in Wombat One.

**LAUREN TEMUSKOS:**

Yes.

**GUY CLIFTON:**

Devastated the Roosters are out, but he is supporting the Cowboys.

**LAUREN TEMUSKOS:**

Good to know.

**GUY CLIFTON:**

So we like that.

**PRIME MINISTER:**

And congratulations to Michael Morgan too, by the way.

**GUY CLIFTON:**

Yes!

**PRIME MINISTER:**

Halfback of the year.

**GUY CLIFTON:**

Yeah, runner up for Dally M.

**PRIME MINISTER:**

That's right, so look it'll be great and you know I was last up in Townsville with Gavin Cooper, you remember at the site of the new stadium which we're funding \$100 million into. I made my attempt of doing the marking the try line.

[Laughter]

Definitely indicating I should stick to my day job I think.

**LAUREN TEMUSKOS:**

That's good.

**GUY CLIFTON:**

And that's how Malcolm Turnbull got paint on his new shoes everyone.

[Laughter]

The Prime Minister of our country, Malcolm Turnbull, thank you so much for being so generous with your time, appreciate it. Go Cowboys!

**PRIME MINISTER:**

Thank you.

**[ENDS]**

---

**[Radio interview with Chrissie, Sam and](#)**

# Browny – Nova 100 Melbourne

**JONATHAN BROWN:** He's the Prime Minister of Australia, duh. Also a man who has declared AFL as the most exciting football code, duh. Here's Malcolm.

**CHRISSIE SWAN:** Well, Mr Turnbull, forgive me but it's about time.

**PRIME MINISTER:** Well it's great to be with you, what's the vibe like down in Tiger-land today?

**JONATHAN BROWN:** What's it like Swanny?

**CHRISSIE SWAN:** You're so fancy Malcolm Turnbull. What's the 'vibe in Tiger-land today'? The vibe is wonderful.

**PRIME MINISTER:** Yeah that's alright, well tell me, it must be so exciting. I can't wait to get down to Melbourne later on today.

**CHRISSIE SWAN:** It is unbelievable. I've knocked out every second tooth in honour of the Grand Final this weekend. We are very pumped.

[Laughter]

**PRIME MINISTER:** That'll be a very expensive visit back to the dentist.

**CHRISSIE SWAN:** That's true.

**JONATHAN BROWN:** Just as expensive, probably not as expensive as grand final tickets though Swanny?

**PRIME MINISTER:** That'd be right.

**JONATHAN BROWN:** You haven't been able to get them, they're up to about \$3,000 a pop Mr Prime Minister.

**PRIME MINISTER:** Yeah. Well I guess it must so exciting, I'm looking forward to being there. Now Browny, how many grand finals did you win? Was it three?

**JONATHAN BROWN:** I won three, yes.

**PRIME MINISTER:** Three out of four, that's pretty good.

**JONATHAN BROWN:** Three out of four yeah, thanks for bringing that up.

**PRIME MINISTER:** So what are the players feeling? How are they feeling today?

**JONATHAN BROWN:** It's a good question actually, because they'll have their main training session today.

**PRIME MINISTER:** Yeah.

**JONATHAN BROWN:** I remember famously one of my teammates Malcolm went through

a fitness test the day before the Grand Final, Nigel Lappin had two broken ribs, went through the fitness test, punctured his lung during the fitness test and still went out and played in the Grand Final the next day and we won. Which was the most, the greatest act of courage I've ever seen on the football field.

**SAM PANG:** Mate, I recon Tony Abbott would go through all that, just to get back in Malcolm's chair, by the way, so don't worry about Brownny.

Hey Malcolm are you definitely coming or is there a chance you'll scalp your ticket?

[Laughter]

**PRIME MINISTER:** No, I'll be there, I'll be there, I think my ticket is non-transferrable.

**CHRISIE:** Where do you get to sit? What's your Grand Final setup?

**SAM PANG:** Middle of the ground.

**PRIME MINISTER:** No, I'll be a guest of the AFL. In fact speaking of the AFL I'm going to catch up, in Tiger-land tomorrow with Brendon Gale and Gillon McLachlan –

**JONATHAN BROWN:** Jeez.

**PRIME MINISTER:** The tallest sports administrator in Australia.

[Laughter]

**SAM PANG:** Be careful, tomorrow you'll be safe but on Sunday win or loose that'll be like Aleppo down there in Richmond, I'm not kidding. Be very careful, they're thinking about introducing martial law into Richmond on Sunday, win or loose Malcolm so just be careful with that.

**PRIME MINISTER:** Well I'll be keeping an eye out. I mean you're very lucky in Melbourne – I mean I'm sure it's not luck, it was all design – but you're so fortunate in having your big sporting arenas so close to the city and you know, so accessible. It's really, there's nowhere else in Australia where you get such an engagement in big spectator sport as you do in Melbourne.

**JONATHAN BROWN:** Really, well you don't see that Malcolm, because in Sydney of course, the NRL Grand Final is on Sunday night, but that's out at ANZ stadium which is a fair way out of the city centre in Sydney.

**PRIME MINISTER:** Sure, sure.

**JONATHAN BROWN:** You wouldn't get the same passion, in around the inner suburbs would you, for the NRL Grand Finals we see down here in Melbourne.

**PRIME MINISTER:** No you don't, it's very different. I mean it was built for the Olympics obviously and they've got a great train connection. You know, I

normally get the train out to the ANZ Stadium at Homebush and that all works very well, but there's no substitute for, you know, walking out of the ground and going and having a beer with your friends at a pub or you know, getting a meal, or whatever. It is a much more connected environment.

But you still, you've got that to a large degree in Sydney with the cricket ground and the you know, football stadium, but you're right about Homebush. Anyway, enough of Sydney the focus is on Melbourne and the Tigers, so Punt Road's a beautiful ground too.

**CHRISSIE SWAN:** I want to talk about beers. How did you feel when you got into trouble for having, an innocent grandfather having a beer with your grandchild on your lap?

**PRIME MINISTER:** Well I got in trouble with I think half a dozen narcs and got sympathy from about, you know, a million normal people who were pleased to see me there.

[Laughter] You know, Chrissy it was Daisy's joke. Daisy's joke about – and you'd relate to this – about men not being particularly good at multitasking.

**CHRISSIE SWAN:** Right.

**PRIME MINISTER:** So what she was suggesting was that this was Baba – that's what the grandkids call me – this was Baba's multitasking achievement, watching the football, nursing the baby and having a beer and that was about it.

**CHRISSIE SWAN:** People say it was also Baba's attempt to draw attention away from the same-sex marriage debacle.

**PRIME MINISTER:** Really?

**CHRISSIE SWAN:** Yeah.

**PRIME MINISTER:** Now, that's the first time I've heard that.

**CHRISSIE SWAN:** Really?

**PRIME MINISTER:** But I think postal survey, or the marriage survey is going well. Lots of people are engaging in it and sending their forms back. I know there have been a few ugly incidents, there always, I mean there are in elections, lets face it, during a parliamentary election. But I think generally, overwhelmingly, people have engaged in this in good humour and good spirit and respectfully.

Luce and I have already sent our form in. We voted 'yes'. We've encouraged others to do so, but it's important that everyone has their say.

**SAM PANG:** Malcolm, can I call you Baba?

[Laughter]



**PRIME MINISTER:** You can, you can, but what you're going to have to do is eat your dinner in a high chair and carefully spread spaghetti bolognese all over you face and run it through your hair.

**CHRISSIE SWAN:** This is really weird. Really weird and wonderful. I love it!

[Laughter]

**PRIME MINISTER:** Yeah, that'd be good. Well, you know what it's like with families. I mean, the first grandchild gets naming rights on the grandparents, so I'm Baba and Lucy's Gaga. So what do you make of that?

**SAM PANG:** Baba, I want to ask you this; what is with, has it been a strategic position you've taken, to start doing FM radio, Baba?

**PRIME MINISTER:** No I don't think, I've always done FM and AM radio, FM as well as AM. Look, I don't know, I've been involved in radio since before you guys were born. I used to work for 2SM in the mid '70s.

**JONATHON BROWN:** Yes?

**SAM PANG:** Doing what?

**CHRISSIE SWAN:** That's why his elocution is so good.

**PRIME MINISTER:** I used to cover the state parliament in Sydney on 2SM.

**CHRISSIE SWAN:** He's an old newshound.

**PRIME MINISTER:** Which of course in those days belonged to the Catholic Church, hence the name.

**CHRISSIE SWAN:** Amen Baba. Hey, thanks for joining us and we hope to catch up soon.

**PRIME MINISTER:** Alright, look forward to an exciting day.

**SAM PANG:** Thanks Prime Minister.

**JONATHAN BROWN:** Prime Minister Malcolm Turnbull.

---

## [Press Conference with the Deputy Prime Minister and the Minister for Energy and the Environment](#)

**PRIME MINISTER:** Today, we've secured more gas for Australian families, for

Australian businesses, securing Australian jobs.

The Deputy Prime Minister and the Energy Minister and the Treasurer and I have just concluded meetings with the three largest gas companies in Australia, the three largest gas exporters from the east coast of Australia. That's Origin, Santos and Shell. And they have given us a guarantee that they will offer to the domestic market the gas that was identified as the expected demand shortfall, by AEMO, in 2018.

They've indicated or stated that they will provide a similar guarantee over two years – that's their intention and will respond further in more detail on 2019 when we meet again next week.

They've stated that they will offer first – as a first priority – domestic customers any uncontracted gas in the future as a priority.

They have also given a commitment to provide regular reporting to the ACCC on sales, offers by them to sell gas and bids to buy gas from customers that they have declined. This is a very, very important step.

One of the big problems in the gas industry, as the ACCC's report identified on Monday, is that it has been very opaque. There has been very, very little transparency. We are going to bring that to an end by putting the ACCC on the case. They of course have the ability to investigate with compulsory powers, and they have been able to get behind what is going on in the gas sector and therefore identify the way in which the market is not working.

In terms of any additional gas requirements, and as you know, AEMO identified additional gas requirements up to 107 petajoules of gas in 2018 on top of the expected shortfall amount – so identified 54 petajoules as an expected shortfall and then up to 107 depending on what happens with the weather and a big thermal generator breaking down and so forth – they have given us a commitment that they will continue discussing that with AEMO but very importantly, so as to ensure that if the gas is needed, it will be provided, both in 2018 and 2019.

We are going to meet again on Tuesday. The aim is to reach agreement on a heads of agreement to ensure we have an effective gas market on the east coast, where customers can acquire gas on standard commercial terms from several vendors, several sellers, for a term of years at prices that reflect global prices.

Now, just on prices, obviously they vary with the global price but I want to make one very clear and obvious point – whatever the price of gas is in Queensland because Queensland is where most of the gas is now being produced on the east coast, it is going to be more expensive in Melbourne because of the cost of getting it there. The failure of Victoria and New South Wales to unlock their onshore gas resources means that more gas will have to be shipped south at greater expense and it will mean that Victorians and residents of New South Wales will be paying more.

An extra \$2 a gigajoule, which is around the cost of shipping gas from

Queensland, is about 11 per cent on the gas bill of a typical household in Melbourne.

The failure of the states of Victoria and New South Wales to get their gas resources, onshore gas resources developed means residents of New South Wales and Victoria and businesses in those states are going to continue to pay more for gas than they otherwise would.

But this is very good progress today. There is more work to be done. But we have secured that guarantee from these three big gas companies, three big gas exporters that the shortfall, the expected shortfall identified by AEMO and the ACCC in 2018, they will provide the gas to meet that.

So it's a very good outcome and I want to thank my colleagues and of course the Treasurer and the companies that were represented today at the meeting, for their hard work and cooperation.

There is obviously more work to be done as we finalise the detail of these arrangements.

**THE HON. BARNABY JOYCE MP, DEPUTY PRIME MINISTER:** Thank you very much, gentleman and ladies, ladies and gentlemen. What I would say at the start is this is another typical example of where the Labor Party is incredibly good at dropping plates and then looking at the pieces on the ground and saying to the Coalition, to the Prime Minister, to Josh, to Scott Morrison and myself: "Now we want to see how you can fix it up".

Yet another example of incredibly bad planning by the Labor Party which we are now resolved to making sure that we keep gas basically affordable and reliable.

By so doing, securing the jobs of the blue-collar workers, the manufacturing workers and also the residential users because this is vitally important for our economy, vitally important for the standard of living, vitally important for blue-collar jobs, manufacturing jobs which once upon a time, the Labor Party used to represent.

What we have also seen here is, as the Prime Minister has clearly spelled out, that if you want to have more affordable gas in Victoria, then Victoria has a responsibility to those manufacturing workers, to those homes to get access to the resource that resides under their feet, under their feet in Victoria but somehow, they've got this sort of religious belief that they can't use their gas, but they can use Queensland's gas.

Now, we've had a very constructive meeting. The same deal with New South Wales in the Pilliga, they should be getting access to that resource and getting it in so they can secure the jobs of Western Sydney and regional towns in New South Wales.

We have had a very constructive meeting. We have another meeting coming up on Tuesday.

I will address one thing, because I know you will bring it up about the so-

called 'trigger'. I will use this analogy that I see policemen every day and they have a car, they have a siren, they have flashing lights and they have a holster on their hip – we don't expect them to use it every day, we expect them to use it if required, when needed.

We are driving an agenda. We are making things happen. We have seen gas come onto the market. We have seen prices are coming down. We are showing that as a Government, we are effective in dealing with the issues that's before us. We have movement, we are getting further movement and further meetings will happen on Tuesday. This goes to show what a competent government looks like.

If you want to know what a disaster looks like, it looks like South Australia with electricity, it looks like the Victorian Labor Party in Hazelwood and it looks like what the Labor Party did when they set up Gladstone without taking into account the requirements of the Australian economy.

Thank you.

**PRIME MINISTER:** Thanks Barnaby. Josh, did you want to add to that?

**THE HON. JOSH FRYDENBERG MP, MINISTER FOR ENERGY AND THE ENVIRONMENT:** Thank you Prime Minister, thank you Deputy Prime Minister.

There is no point Australia becoming the world's largest LNG exporter if our local community goes short. That is why today's meetings and the commitments that have been secured are so important for Australian workers and Australian families.

The commitments from the companies today do not let the states and the territories off the hook.

New South Wales imports more than 95 per cent of its gas.

Virtually all the gas that is produced in Victoria comes from offshore Commonwealth waters given the Andrews Government mindless moratoriums and bans on onshore conventional and unconventional gas extraction.

And we know that the Northern Territory is sitting on 200 years' worth of gas resources.

Gas is critical to Australian businesses, it is critical to Australian families, that is why today's meeting was so important.

**JOURNALIST:** Prime Minister did you have to offer anything? Does the government play any part in this in the decision from the gas companies?

**PRIME MINISTER:** Well, they have given these commitments to the government today and we have just finished the meeting a little while ago.

Clearly, as Barnaby said, the Commonwealth has very considerable powers to control exports. We have made it very clear that we are prepared to exercise those powers in circumstances where there is going to be a shortfall of gas.

Our objective is to ensure there is not a shortfall of gas. That is the whole objective.

Now, we have been given the undertakings today and we have got further work to do. We want to see this incorporated into an agreement. It is very important to provide the maximum assurance for Australian families and businesses and jobs with the supply of gas.

The gas market has not been working effectively, as the ACCC described in its report that you would have seen on Monday.

The companies that were represented at the meeting today have indicated, very strongly, that they want the market to work effectively. Their customers, these are the three biggest gas exporters from the east coast, their customers are obviously big commercial and industrial concerns, retailers like AGL and of course the energy sector, the electricity generation sector, so it is important that they are going to be providing transparent offers so we will know what prices are being offered, we will know what bids they are receiving, we will know what bids they are accepting and what sales they are making and what bids they are knocking back.

So we are going to shine a light on what has been a very opaque industry and that sunlight will ensure more gas at better prices for Australians.

**JOURNALIST:** Prime Minister, could you elaborate a bit on the price rises expected of 11 per cent for households and businesses, in particular if New South Wales has been importing most of its gas anyway from Queensland, why would prices suddenly jump?

**PRIME MINISTER:** I will ask Josh to expand on that but I was making the point about Victoria and the impact of an additional \$2 a gigajoule.

**MINISTER FOR ENERGY AND THE ENVIRONMENT:** The ACCC makes it very clear in its report that \$2 a gigajoule is worth 11 per cent to a household, residential gas bill in Victoria and about 5 per cent to a household gas bill in New South Wales because they use less gas in the households in New South Wales compared to Victoria.

The Prime Minister's point is very important because if we get gas developed in the south of our country, in New South Wales, in Victoria, then you will not have that transport cost.

And the ACCC have indicated that to ship or to pipeline gas from Wallumbilla in Queensland to Sydney is about \$2 a gigajoule. To Victoria it is about \$2.24 a gigajoule and it is just over \$1.60 from Wallumbilla to South Australia. So, the clear preference is to get gas produced in the areas in which it is needed for the families and for the businesses in those states. That is why today's commitments don't let the states off the hook if they are really wanting to get lower gas prices for their constituents.

**PRIME MINISTER:** To add to that, I just say that what we are solving for today is a near-term shortfall in gas, a gas crisis.

And we've had a very constructive meeting. We will have another one and possibly others. The goal is to ensure there is not a shortfall of gas next year and indeed in 2019. That is the goal.

But longer term, as everyone acknowledges – the ACCC, the industry – it is plain, it is very obvious, longer term we need to produce more gas and the gas that is most economic for Victorians is obviously gas in Victoria because you don't have to haul it as far to get it to the customer. And the same observation in New South Wales.

The failure to develop the onshore gas resources, the gas that is literally under our feet is costing households and businesses dearly.

**JOURNALIST:** Prime Minister, AGL plans to build a \$250 million LNG import hub at Crib Point in Victoria. Isn't this evidence of market and political failure that Australia's abundance of gas hasn't guaranteed supply or low prices?

**PRIME MINISTER:** Well it certainly, their proposal is an absolutely shocking indictment on the Labor Government in Victoria. Victoria has got plenty of gas. There is plenty of gas in Victoria, onshore gas in Victoria. The only obstacle to getting it out is the Labor Government and the idea that Victorians are going to have to pay the cost of shipping gas from the Middle East or from Louisiana or from north-west Australia, because they've got a government that is not prepared to access the gas resources in Victoria, is extraordinary.

I think you're right, it's a shocking indictment of Daniel Andrews and his government and he seems to be an enthusiast for it. He wants Victorians to pay more for gas.

**JOURNALIST:** Prime Minister on the question on New South Wales. Hopes are pinned on say Narrabri providing up to 50 per cent of the state's supply but that project seems to be bogged down in 23,000 submissions in the devaluing of the resource, or uncertainty about whether Santos wants to proceed with that, and various hurdles of the environment and other approvals that need to be met which could take some years. Are you intending to, if you like, lean on or influence the New South Wales Government to get a move on?

**PRIME MINISTER:** Were certainly encouraging them to get a move on with it, absolutely.

**JOURNALIST:** How do you do that?

**PRIME MINISTER:** By encouraging them and urging them to do so and I think public opinion will play a role.

I understand most of those submissions did not come from anywhere near the district, by the way.

So the bottom line is that there is a cost, a price to be paid by families and businesses and in jobs in terms of excessively expensive energy if you don't develop your energy resources.

The Narrabri project is one that should go ahead. It should have gone ahead long ago. The same is true with opportunities in Victoria.

**JOURNALIST:** Prime Minister AGL has also today committed 100 per cent to closing Liddell and going for cleaner power. It says the plant can't be sold, it's just too expensive. What do you say to that?

**PRIME MINISTER:** Well that's not actually quite what was said.

The Chairman of AGL – I understand – said that the request that we have made to the company to consider selling Liddell will be considered by the board and they are going to consider that, as we have requested.

I've seen brief details of an alternative strategy by AGL which involves some additional coal-fired generation at Bayswater, some gas, some solar, a battery = now whether that will meet the requirements for ensuring a reliable baseload power remains to be seen.

We will certainly look at it and of course, most importantly, the Australian Energy Market Operator will look at it.

**DEPUTY PRIME MINISTER:** If I could add something on that. This always sounds odd you know, the argument of, "I've got this car and I just don't think I can fix it. There is nothing I can do with it."

And then you say, to the person: "Well good, do you want to sell it to us?"

And they say: "No, no I want to drive it off a cliff."

It just doesn't stack up.

**JOURNALIST:** Mr Joyce, you spoke about a trigger and not wanting to use it. Does this agreement from the companies permanently save them from –

**DEPUTY PRIME MINISTER:** No, no, I never said – I used the analogy of the holster that a policeman has. We were certainly prepared to use it.

**JOURNALIST:** But could you be in this situation next year for instance?

**DEPUTY PRIME MINISTER:** In fact, it's actually being used in a form right now. It is bringing more gas onto the market. The prices are going down. Things are actually moving. We're actually dealing with the problem that was left to us by the Australian Labor Party because of their incompetence of being unable to foresee the problems that would exist if Australia exported all its gas and had none for use of its own.

At the same time, the Labor Party again is hard at work – I mean it takes a real, a certain type of person to completely botch an electricity market – but the Labor Party can do it, they are up to it. They've done it in South Australia and now we see it in Victoria, where they've said we're not going to use the gas under our feet, but we're going to blame everybody else for not giving us gas from somewhere else.

Even with all these difficulties in front of us, we are still trying to assist the Labor Party in trying to provide the base line, the food-stock of blue-collar jobs in Victoria. We still believe in blue-collar workers, we really do. The Labor Party, they have visions for other places.

**PRIME MINISTER:** Can I just repeat, just reinforcing what Barnaby's just said – the object of the gas security mechanism which is just using the Commonwealth's power to regulate exports, to restrict exports – the object is to prevent a shortfall in gas supply on the east coast occurring next year.

If we are satisfied that a shortfall will not occur and AEMO and the ACCC are satisfied a shortfall will not occur then we don't need to use the mechanism. It's a very important part of the toolkit that we have to protect Australian jobs and ensure that we have affordable and reliable supplies of energy.

**JOURNALIST:** Was it the trigger, to put it plainly, that brought the gas companies to the line here today? Secondly, will you consider having discussions with Ms Hanson's Party, given that they are considering a block to drilling in central Queensland?

**PRIME MINISTER:** Just dealing with the gas companies, you'll have to talk to them about that but we've always been very up-front about our commitment.

It is not part of, it is not something that we relish doing – restricting exports – we want to see more exports. Okay? But Australians have to come first. That's the bottom line.

Australian jobs, Australian families, Australian businesses have to come first.

So if there is no other way to prevent a shortfall occurring, then we would restrict exports but if we're able to achieve commitments that will ensure there is not a shortfall of gas and that the market functions well and people can buy the amount of gas that they need at prices that reflect global prices, well, then we don't need to restrict exports.

As far as the views of other parties are concerned, our position is very clear. We need more gas in Australia. We need more gas particularly in eastern Australia. We will certainly make that case to all players in the political universe.

Thank you all very much.

---

## [Press Conference with the Treasurer](#)



# and the Minister for Energy and the Environment

**PRIME MINISTER:** Today, the Government has received and released two important reports on the state of the gas market in eastern Australia from the Australian Energy Market Operator and the Australian Competition and Consumer Commission.

These reports indicate that the shortfall of gas in the east coast domestic market will be considerably higher than that estimated six months ago. At this point, it's estimated there will be a shortfall of around 110 petajoules of gas, more than three times the figure that we were advised would be the shortfall earlier in the year.

Now these reports were commissioned by the Government, as part of our process of ensuring that Australians have affordable and reliable energy, and that Australians are not paying more than they need to for gas. That Australian homes, Australian businesses, employing tens of thousands of Australians, have the gas they need and at prices they can afford.

We've been grappling with a shortage of gas on the east coast which was the creation of the Labor Party when they were in government, when Blackout Bill was a minister in the Gillard Government and they allowed gas exports from Queensland, from the east coast, for the first time and paid absolutely no regard to protecting the interests of domestic customers.

Their failure to do so is one of the great Labor failures in energy policy. There's been more than a few, but this one has had very long-running consequences. They were warned by the Australian Energy Market Operator at the time, they were warned by the Federal Government's own Energy Department, by the officials, that this, allowing exports without any protection for the domestic market would cause tighter supply and higher prices and it's done precisely that.

Now, grappling with this issue from the beginning of the year, as you know we set out a plan where we would impose – if necessary – export controls on gas from the east coast. Again, a very strong step, almost without precedent. It's an indication of how seriously we take our responsibility of ensuring that Australians will not pay more for gas than they need to; and that they will get a fair deal, and that they will not have to pay higher prices for gas simply because Blackout Bill and his fellow Labor Party ministers back in Gillard's day, bungled the process and let Australian families and businesses down.

Now, what we've received here, or what we know now is that following our announcement earlier in the year of foreshadowing export controls, we know that there has already been more gas brought into the market by the exporters. But it has clearly not been sufficient to date. So, what we need to ensure is that we have, in the words of the ACCC, a "well-functioning gas

market." We simply do not have that at the moment.

The recent rises in the cost of gas are the single biggest factor in the current rise in electricity prices. Gas sets the wholesale electricity price and for every dollar increase in gas per gigajoule is \$10 per megawatt hours in the wholesale price of electricity. So, more expensive gas has huge implications for industry, big implications for families struggling to pay the energy bill, but it feeds directly into the electricity market.

So our commitment is to ensure that this shortfall, which we've been advised of today – three times the size of what we were advised of earlier in the year – our commitment is to ensure that shortfall does not happen. We will not let the power bills of Australians rise further and further because of a shortfall of gas on the east coast of Australia.

Now, we have also to bear in mind that there has been a comprehensive failure on the part of state governments to develop their own gas resources. Queensland is an honorable exception, Queensland is producing most of the gas on the east coast of Australia. But both Victoria and New South Wales are not doing enough.

We strongly encourage the New South Wales Government to approve the development of the Narrabri Gas Project, for example, which will add over 58 petajoules of gas per year. The sooner that is brought online the better. That is critical to the energy security of Australia, the energy security of this state New South Wales, which I might say imports about 95 per cent of the gas it uses, so it needs to generate more gas.

Victoria is an even worse example, where the Labor Government under Daniel Andrews has prohibited the development of gas onshore and there are enormous onshore gas resources in Victoria, regardless of whether it's conventional or unconventional. That is extraordinary. To make the extraordinary conduct of the Labor Government in Victoria even more so, they are contemplating having an LNG import terminal in Victoria. So that they would rather have Victorians pay many dollars more for gas to be imported into Victoria – from the Middle East or perhaps the north-west of Australia – than extracting the gas literally under their feet. It's a comprehensive failure of policy.

So I am going to be writing again and speaking again to the Chief Minister of the Northern Territory – who also has gas resources that need to be developed – and to the Premiers, to urge them to do as they have been urged by the industry, by Alan Finkel, by Australians in every line of work, to get on with the development of these gas resources. It is untenable for us to be facing gas shortages here on the east coast of Australia.

Now, I know that the Labor Party has been, is out every day saying that we should 'pull the trigger'. Of course, they're like a parrot, they don't understand the energy market, they don't understand the mechanism. Their failure to understand the energy market is what got us, got Australia into the mess we are navigating our way out of – cleaning up Labor's mess – created with their failures on energy policy.

The export control mechanism that we announced earlier in the year is designed to ensure there is not a shortage of gas on the east coast in 2018. It is a process of careful consultation. Had we made a determination a week ago, we would have done so on the basis of information which was inaccurate.

So we now have the latest advice from AEMO and the ACCC. We've already been in discussion with the chief executives of the big gas exporting companies and we'll be speaking with them again this week. We expect them to demonstrate to us what they have already indicated in meetings and in writing; that they will ensure that there is not a shortage of gas next year on the east coast. If they are able to do that and to the satisfaction of the ACCC, then the foreshadowed export control mechanism will have done its work.

But we will continue to hold that mechanism ready to go, ready to go and we will ensure that it is entirely fit-for-purpose in light of these changed circumstances of a much bigger shortage than previously advised. So that if we are not able to receive the assurances from the industry to our satisfaction and that of the ACCC, then we will impose those export controls.

I will now ask the Treasurer to say a bit more about the ACCC report and Josh will add further on AEMO and other implications.

**THE HON. SCOTT MORRISON MP – TREASURER:** Thank you Prime Minister.

Step one of the Prime Minister's plan on energy that was outlined in the budget this year, was to ensure that Australian gas was available for Australian use, by industry, by households, by our electricity sector.

As part of that plan, earlier this year in April, I commissioned the ACCC to undertake an inquiry into Australia's gas market and that's why today I'm pleased to release here at this press conference the interim report of the ACCC inquiry.

We asked for that to be done within the first six months and I want to commend Rod Sims as Chair and the entire team from the ACCC for completing that first task and they will obviously continue in that task in accordance with the terms of reference for that inquiry.

As the Prime Minister has said, it has also identified a shortfall in the same terms that was identified in the AEMO report. Which means we need to solve, for about 110 petajoules next year and that is the task set before industry under the mechanisms that the Prime Minister has already outlined.

That task would obviously be made a lot easier were it not for the gas moratoriums that have been put in place by state governments around the country and in particular, one Territory government that has a very significant decision that they need to make and they need to make now to ensure that that gas in the Northern Territory is freed up for Australian use, in particular.

Now, of that 110 petajoules, that needs to be found out of an international supply of around 1,300 petajoules to support a domestic market demand of around 650. Now the ACCC found the domestic market for energy is not working

as it should. It's not functioning properly and that's not good news for the industrial users, household users. Let's not forget, some over more than 40 per cent of the gas that is used in this country is by industrial users. So we're talking about cement manufacturers, copper refineries, chemical manufacturers, plastics makers, fertiliser manufacturers. There are hundreds of thousands, if not millions of jobs that depend on getting secure access to gas.

Just last week when I was up in northern Queensland, the issue of the Townsville copper refinery depends critically on access to gas which it cannot get beyond the end of this year right now. So getting access to this gas at the right prices is what is necessary for Australian industry.

The ACCC estimates that some 63.4 petajoules will be sold offshore at spot prices next year that is outside of their contractual obligations. That's more than 15 LNG carriers. So it is not a small amount. Those carriers that would otherwise take that gas up to the north, the task is to ensure that that gas can actually play a key role in making up for this shortfall of 110 that we have spoken of.

So the issues that will need to be worked through with industry will include ensuring that we can deal with the swaps both domestically and internationally, as well as ensuring that that market, which is being served on the spot prices is available for domestic use.

The other thing the ACCC found, was that the types of offers that are being put out there are on some very unfair terms. Take or pay contracts, 'take it or leave it', not getting access to the long-term security of supply and not even guaranteeing supply, offers being made and you've got to take it within 24 hours and there are unrealised offers out there that are priced between about \$10 to \$16 per gigajoule.

So it's about the price, it's about the access and it's about the terms.

What the industrial users are saying to the ACCC is if we can't get access on that, then they have to think about what they do about their own production levels, which is jobs.

So, that's why this is so important to solve for, and that's what the task is that has been set before industry by the Prime Minister this morning, with the Energy Minister and the Deputy Prime Minister and where the government needs to act in other areas to facilitate that, then obviously we will look at all of those issues.

It is fixing another Labor mess. That's what this Government has been doing for the last four years. The task is a big one but we are working our way through it.

**THE HON. JOSH FRYDENBERG MP – MINISTER FOR ENERGY AND THE ENVIRONMENT:** Thank you, Prime Minister, thank you, Treasurer.

Well, it's simply unacceptable that in Australia today a paper product manufacturer employing hundreds of people in regional Australia, has seen its

gas bill go from \$15 to \$30 million over the last 12 months.

It is unacceptable that a linen company employing 30 people in regional New South Wales can only get a gas contract for three months at \$16 plus a gigajoule.

It is unacceptable that a tomato processor in Victoria has seen a 50 per cent increase year-on-year in its gas price.

We are now starting to pay the price of the states' mindless moratoriums and bans on gas development. The chickens are coming home to roost.

That is why we are calling upon governments like New South Wales, that as the Prime Minister said, import more than 95 per cent of their gas, to develop their own indigenous reserves.

That's why we are calling on Victoria, who have got dwindling productions from existing gas facilities in the Gippsland Basin and the Otway Basin, to actually step up to the plate and develop their 40 years worth of resources.

And in the Northern Territory, Geoscience Australia has estimated that there could be potentially 200,000 petajoules of gas available. Today we're talking about a shortfall of around 110 petajoules. That puts it in context, how significant the undeveloped capacity of our states and territories are.

So, Prime Minister, we are taking the right steps going forward and obviously, the companies now need to provide some solutions.

**PRIME MINISTER:** Thank you.

**JOURNALIST:** Prime Minister, will you ensure that the 107 petajoules will be diverted to the domestic market given the shortfall?

**PRIME MINISTER:** That is our commitment, to ensure there is not a shortfall in the domestic market in 2018. We were advised of a shortfall in March, as you know on preliminary information. We already seeing signs in the market of the consequences of the shortfall.

Scott commissioned the ACCC to do a thorough investigation – the first time such an investigation has ever been done, I might say – and using the ACCC's compulsory investigation powers. We also received an update at Josh's request from AEMO on the gas situation and as you can see, the shortfall is much, much larger than previously anticipated.

Of course, this is all part of our process. We've got to get to the facts, we have got to identify what the shortfall is. Now the goal is, the objective is, to make sure it doesn't occur. So we've had our discussion with the energy companies, the exporters today. They've indicated that they're committed to ensuring it doesn't occur too. We want to see a plan from them, we want to see a commitment and then we want to be satisfied that it meets the requirements of the ACCC.

That's the next step. This is all part of the process that we set out when we

set up the gas security mechanism at the beginning of the year.

**JOURNALIST:** Will the Deputy PM be responsible for enacting those restrictions?

**PRIME MINISTER:** Well yes, he is the Minister for Resources. He was at our meeting this morning as we noted, but he has had to go off to another engagement in his electorate this afternoon. He sends his apologies and with us in spirit and absolutely.

**JOURNALIST:** How quickly will they be enacted if the industry fails to make amends?

**PRIME MINISTER:** The gas security mechanism is structured so that it comes into effect at the beginning of a calendar year, so 1 January 2018.

The decision as determining the level of the shortfall and the restrictions that apply to each exporter to fill it, needs to be made prior to the 1st of November, on or prior to the 1st of November.

But, clearly, the objective is for the industry to fix the problem, by agreement. I mean, that's the whole mechanism, that's the whole object of it. That's why there is such a process of consultation and this is why the Labor Party, who have absolutely, they don't know how the gas market works. They also have no idea how the mechanism works. They haven't bothered to get into that sort of detail, you know, too much hard work I suspect.

So the process is going exactly as we planned it to. We now have the most up-to-date facts. They're of great concern. We have seen some gas come back into the domestic market. That's good, but it's not nearly enough so there is more work to be done.

**JOURNALIST:** How big will the Australian space agency be and when will it be implemented?

**PRIME MINISTER:** It's being announced today. It's a small agency designed to coordinate and lead, but the space sector of course is one of enormous potential. We already have many Australian companies participating in it and it's an example of, you know, it is part of our innovation economy, our innovation and science economy.

Just going back to energy though, I just want to make a point about Blackout Bill's performance from Korea today. Now, we know we're living with the consequences and sorting them out, of Labor's failure to properly plan for gas. You know, to allow all these exports without any protection for the domestic market.

They're a party of slogans and ideology and idiocy. You see now he's got, he announces his 45 per cent emission reduction target. The one we have committed to, to the Paris Agreement is 26-28 per cent. That is challenging in itself but we can meet it.

He has said Labor will do 45 per cent. He confirmed that today after a bit of

hedging and stuttering.

**MINISTER FOR ENERGY AND THE ENVIRONMENT:** And prodding.

**PRIME MINISTER:** And prodding, yes. He needed a bit of a 'hurry up' to get on with it, but he did finally. He has no idea what that will cost. He has no idea how to do it. He has given no thought to reliability or affordability. It's the same movie over and over again.

The Labor Party, its approach to energy is not just a product of ideology, you know, left ideology, it is a product of complete idiocy and incompetence.

What were they thinking to allow exports for the first time from the east coast of Australia, which is where our biggest demand for gas is – naturally, because that's where most of the Australian population live – they allowed exports from there and did nothing to protect the domestic market. Did nothing to protect all those workers, probably, many of them in the AWU, in factories and plants that needed gas. Did nothing to protect all of those families, and they were warned!

Never forget, you know, you have Blackout Bill and Brownout Butler – Butler was there, denied that there had been any warnings on the *Insiders* program. Denied it to Barrie Cassidy and then finally had to confess. These problems which are the consequence of sheer incompetence on the part of the Labor Party, because they don't think this stuff through. The only way to approach energy policy is to have a clear idea of what you are seeking to achieve and then be guided by engineering and economics.

It's not susceptible to glib one-liners.

You've got to go through the hard work, you've got to do the detailed analysis and sometimes, as you see today, the advice you have in the past, which was preliminary advice to be fair, turns out to be quite, you know, a lot less in terms of the shortfall than what it's turned out to be.

Thoroughness, engineering, economics; that's the business-like approach we take to securing Australia's energy future.

**JOURNALIST:** Up in the Hunter Valley, the companies up there have faced a PR nightmare in Gosford and things like that, to get gas production, as an industry to take hold. Do you think the community will wear gas coming back into their communities [inaudible]?

**PRIME MINISTER:** Look, I know there is a lot of blame to go around with the way a lot of the relations have been handled with landowners and local communities. But the simple fact of the matter is that gas is a vital natural resource. It's absolutely critical to our economy. It sets the price for electricity.

The largest use, you know, category of usage of gas, of course, is commercial and industrial. There are many, many manufacturing operations which simply cannot operate without gas and for which the price of gas is their largest or second-largest overhead.

So you know, we have the means to develop our onshore gas resources safely and we need to do more of it.

In New South Wales and Victoria – which are the biggest consumers of gas – we have in New South Wales, very little gas is produced at all and needs to do a lot more. In Victoria, the gas resources are depleting because they were approved decades ago and you've got a government that would rather pay to import gas from the Middle East than to actually develop the gas that's under the ground on which they're walking.

So, this has been a real failure on the part of these state governments. I know, you know, people don't like politicians blaming each other, but the fact is the development of these onshore gas resources is very much in the hands of the states. They have failed. That is one of the biggest long-term problems.

Having said that, we're focused today, also on the immediate term in 2018. So we're determined to ensure and we will ensure that that shortfall, which we've been advised of today – three times bigger than we thought it would be six months ago – is not going to occur.

Thanks very much.