

## How the single market got in the way of our art market

The UK art market is one of the big three in the world, coming second after New York and a little ahead of Hong Kong/Shanghai. 98% of the world's expensive paintings are sold through one of these three markets. These 3 account for 81% of total world art market turnover between them.

Only 3% of the UK's art exports go to the rest of the EU. Imports from there account for 16% of the total. The EU has imposed two extra costs on the London market not charged to clients of New York or China. One is a VAT on imports. The other is the living artists levy on a re sale.

In typical EU fashion they have invented rules and taxes that make an EU based market less attractive. London has lost some market share to New York and China as a result. It has not helped continental centres. The UK has 21% of the global overall market, and 62% of the European market.

Once we have left the EU the UK could cut the costs imposed. The VAT has cost us some business, but collects very little tax as a result.

It would be good to hear more from other media about the opportunities for us to do better out of the EU in sectors we are good at or have a natural advantage in. I have talked about fishing before, and agriculture is another obvious one. The Art market is an excellent example of something we are good at, something which generates well paid jobs with a high level of training and interest. Out of the EU we can help it grow faster.

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## Interview with Gareth Parker, 6PR Perth

**GARETH PARKER:**

Prime Minister, good morning.

**PRIME MINISTER:**

Good morning Gareth, great to be with you.

**GARETH PARKER:**

And thanks for coming on the show. How will it work?

**PRIME MINISTER:**

This will bring together our outstanding agencies so that they can do an even better job.

We've got the best security and intelligence services in the world, but as the threat of terrorism evolves and becomes more complex and more connected around the world courtesy of the internet and other technologies, we have to be responsive and stay ahead of the threat. So it's vital that our agencies work more closely together.

So it is logical that those key domestic security agencies that you've just mentioned are in the one department. As indeed they are in most other comparable countries including the United Kingdom where they have been obviously in the Home Office under the leadership of the Home Secretary for many, many years.

This is a long overdue change. It is not responding to a failure or a crisis. Every step I take, every day is focused on keeping Australians safe and I'm always looking to find ways in which we can improve and optimize how our various agencies, including the Australian Defence Force, work together with other agencies to keep us safe.

**GARETH PARKER:**

There are some commentators Prime Minister, and I don't just mean political commentators, I mean strategic affairs and defence commentators, who have suggested that the benefits of the current arrangements are that agencies like the AFP or ASIO or the other security agencies, that there is actually a benefit in having them separate because they don't fall into the trap of 'group think'. They report to different ministers so you get attention and a competition of ideas and of different perspectives when it comes to the best way to address these security challenges. Is there a risk that you remove that competitive tension, a risk that you actually result in 'group think' by bringing everyone under the same minister?

**PRIME MINISTER:**

No absolutely not. Look, the agencies cooperate closely now and you'll find that when things go wrong, Gareth, in terms of security matters, it's invariably because there has not been enough cooperation, enough connectedness, people have been operating in silos and so forth.

So my goal and my commitment is always to stay ahead of the threat.

It is very easy for governments and public servants for that matter to just leave things as they are. I come from a very proactive business background where you are constantly seeking to improve what you're doing.

I do not believe in 'set and forget'. I don't believe in being complacent. No matter how well you're going, you've always got to ask yourself how can we go better? How can we do it more efficiently? How can we give Australians more protection? That's what we're doing here.

**GARETH PARKER:**

So why is Peter Dutton the best man for the job?

**PRIME MINISTER:**

Well he's doing an outstanding job as the Minister for Immigration and Border Protection and that of course is a key part of the new Ministry for Home Affairs. Because there are a number of other agencies – but you've identified the major ones – you've got Immigration and Border Protection, you've got the Australia Federal Police and you've got ASIO, which is our domestic security service.

**GARETH PARKER:**

Prime Minister whilst we very much appreciate you coming on the program this morning, it is a long time since you've set foot in the West, in fact you've spent about 20 hours here on the ground, in Western Australia in the last 11 and a half months. Are we entitled to feel a bit neglected?

**PRIME MINISTER:**

Well I hope not, I've spent a lot of time in Western Australia and I'll be there again for the best part of a week very shortly.

Western Australia is very much a part of my life you know, many years ago a company Lucy and I started in Western Australia was the Western Australia Software Exporter of the Year winner. So I've got a long history with WA and a long connection. I can assure you I'm not a stranger there.

**GARETH PARKER:**

Well we haven't seen much of you as PM.

**PRIME MINISTER:**

Well, you will –

**GARETH PARKER:**

Some of your colleagues here think you've given up on Western Australia.

**PRIME MINISTER:**

If you feel you haven't seen enough of me, you'll be seeing quite a bit more of me very shortly, I can assure you.

**GARETH PARKER:**

Okay, not the last time you were here, but two times ago, when you were here for the Liberal Party State Conference, about 11 and a half months ago you made a commitment to imposing a GST floor, below which no states' share would fall. Do you remain committed to that objective and are you any closer to being able to tell us what the details in terms of the floor and when it will be introduced will be?

**PRIME MINISTER:**

Okay let's be very clear. What I said was – and this was an approach that I had worked up with Colin Barnett and my federal colleagues, right? The aim was to wait until the GST formula adjusted so that WA's share got up to a higher level. I think at that time the WA Treasury was forecasting it would get to in the order of 70 or 75 per cent by 2019. So you may correct me on the numbers, but that is my recollection.

**GARETH PARKER:**

That was true at the time.

**PRIME MINISTER:**

So what I said was that we should aim to set a floor at that point, below which states could not fall, because you could do that at that time and nobody, no state, would be worse off at the time you set the floor.

**GARETH PARKER:**

But since then the projections have become a lot worse for Western Australia as the iron ore price has improved a little bit. We're not going to anywhere near 70 per cent so, where do we stand now?

**PRIME MINISTER:**

Okay well what we've done is firstly we've commissioned a Productivity Commission Review into the impact of the current GST arrangement. I understand that they are not fair to Western Australia, believe me. I am the first Prime Minister to actually acknowledge there is a problem here. I'm the first Prime Minister to offer to do something about it.

The real question now that you should be addressing is to the Labor Premier and to the Labor Party. Because all they have done, when I made that announcement back last year I was roundly attacked by the Labor Party, by Mr Shorten. What we've now seen, if you've got a bunch of distinguished Members of Parliament and Senators, Labor Members from Western Australia and they've put in a submission to the Productivity Commission. It is just pages of waffle. They are not even prepared to go as far as I proposed last year.

Now you've got a Labor Party Premier, a Labor Government in Western Australia. You've got Labor and you know Bill Shorten is there and he's hoping to win the next election. He would see himself as the alternative Prime Minister –

**GARETH PARKER:**

Be that as it may Prime Minister –

**PRIME MINISTER:**

Hang on, they have –

**GARETH PARKER:**

You're the one who has the power to fix this as it stands right now, you're in government. You are the one within the power it has to fix this.

**PRIME MINISTER:**

What we have to do obviously is bring all the jurisdictions along with you.

I mean this is a political challenge and of course what would be fantastic would be if the Labor Party, if the heroic Labor members and senators of Western Australia, I mean they are so lacking in commitment to your state that they're not even prepared to go as far as I proposed last year.

So what we need to do – and this is a point I've made many times – is we've got to be able to persuade all Australians that the arrangements are currently unfair. Now I have raised this. You can ask Colin Barnett, you can ask Premier McGowan, I have raised this very frankly at the COAG meetings and I've put it on the table. I've said the way in which the formula works in Western Australia, it is not fair, you know. It doesn't pass the pub test. Use any metaphor you like.

**GARETH PARKER:**

Yep.

**PRIME MINISTER:**

You're not getting a fair go and I recognize that and what we've got to do is address it. Now there have been a number of different approaches have been raised with me about following a Canadian example, for example –

**GARETH PARKER:**

Exempting some royalties?

**PRIME MINISTER:**

Exempting some mineral royalties. I've had a look at that. We're waiting for the report from the Productivity Commission, I think that's a very important step. But just give me credit for this Gareth, I am the first Prime Minister that has recognised West Australia as getting a raw deal, I'm the first Prime Minister to propose a means of dealing with it. It may not be as adequate as you'd like, but the Labor Party including the Labor MPs and Senators from Western Australia, are not prepared to even go as far as I did.

**GARETH PARKER:**

Well, we'll be speaking to one of those Labor MPs.

**PRIME MINISTER:**

They write pages of waffle. I'll tell you what it says: "The Western Australian Federal Parliamentary Labor Party seek an outcome to the

situation," whatever that means. "But one that doesn't negatively impact other states and territories." No specifics, no detail at all.

**GARETH PARKER:**

We'll be speaking to one of those Labor MPs, Tim Hammond, he'll join me at 9.30.

**PRIME MINISTER:**

Well you should get him and ask him. Because I tell you what, it's five and a half pages of complete and utter waffle, no solutions.

**GARETH PARKER:**

Do you recognise that without action on this matter, you're going to lose some of your key contributors? You might lose the election, but you also might lose some your key contributors. This is what voters have been telling me for some time.

**PRIME MINISTER:**

Well I think it's very –

**GARETH PARKER:**

You might lose Christian Porter, you might lose Michael Keenan you might lose Ken Wyatt, you might lose Andrew Hastie.

**PRIME MINISTER:**

Gareth I recognise that West Australians are furious about this. I understand that and what I've done is proposed one way of dealing with it. What we need, and this is what I'd be encouraging you to do, what we need is to put the acid on the Labor Party and say to them: 'When are you going to stop simply taking pot shots at the Liberals and present a solution of your own? Or support our solution, support the proposal I've made?' The proposal that I've made at the State Council that you referred to, came about through practical discussions I'd had with Colin Barnett as to how we get a measure of justice and equity into the GST formula in a way that could win support from other states and territories. Obviously setting a floor at a time when it had readjusted was an opportunity to do that. Now you've quite correctly made the point that since then the iron ore royalties have improved and of course the forecasts are no longer as optimistic as they were back 18 months or so ago.

**GARETH PARKER:**

Yep. Prime Minister we are out of time, I thank you for your time on the program.

**PRIME MINISTER:**

Thanks Gareth, good to talk to you.

**GARETH PARKER:**

We look forward to seeing you next month and hopefully we can have you in the studio.

**ENDS**

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## [Interview with David Penberthy and Will Goodings, 5AA Adelaide](#)

**WILL GOODINGS:**

Prime Minister Malcolm Turnbull – good morning to you.

**PRIME MINISTER:**

Good morning, great to be with you.

**DAVID PENBERTHY:**

Thanks very much for joining us Mr Turnbull. Look, we really want to spend most of this interview talking about the creation of what's been dubbed an Australian version of the Home Office. But before we do that, can we just ask you one question that is exercising the minds – particularly here in Adelaide – of a lot of our listeners locally; about this young Adelaide woman, Cassie Sainsbury who has landed herself in strife in Colombia? Now in jail there for about 3 months, awaiting drug trafficking charges. Her Colombian lawyer has issued a call today for the Australian Government to provide her with monetary assistance, legal aid to help her fight the case. Is that something that you think the Australian people would be prepared to entertain?

**PRIME MINISTER:**

Well David, what I can say to you is that we have very established procedures for supporting, helping Australians who get into trouble overseas. As I'm sure Julie Bishop has said to you on many occasions, a lot of Australians do at any one time. There are plenty of Australians in strife with law overseas and I just say that everyone should remember that when you are overseas, obey the law of the country that you're in. So as far as Cassie Sainsbury is concerned, she will be provided with consular assistance in the normal way, but I can't go into any further details about her particular case.

**WILL GOODINGS:**

To the proposed new Home Affairs portfolio, Prime Minister, can you explain to us how it is different from the former Labor Party policy of the creation of a Department of Homeland Security? An idea that you described as a cheap

copy of an American experiment, crafted to capture campaign headlines.

**PRIME MINISTER:**

Well look, I can't comment on what the Labor Party was proposing years ago.

**WILL GOODINGS:**

But you did, you have.

**PRIME MINISTER:**

Well thank you David, let's focus on the security of Australians today, because that's what I'm interested in. I think that what your listeners want to know is what I'm doing to make sure they are safe.

Now in this very connected world in which we live, the terrorists that are seeking to undermine our way of life are working in very agile ways, they're innovative, they are a constant threat and we cannot have a set and forget approach to national security. We can't wait for a crisis to improve the way we operate.

So what I'm doing, as you observed at the outset, improving the way Defence can support counterterrorist actions by state and territory police. We are ensuring that we take on the challenges of encryption so that our agencies can get access to what the terrorists are plotting online. And what we also need to do is ensure that our domestic security agencies, ASIO, the Australian Federal Police, Border Force, are able to work together even more closely than they do today.

Now they're doing an outstanding job. We have the best agencies in the world but I want them to be even better. And so my focus is to ensure that you have them working together in one department so that because they've got the same mission to keep Australians safe, with one Cabinet Minister sitting there at the Cabinet table – this will be Peter Dutton – and of course as George Brandis, the Attorney-General said yesterday, this will be the first time you've got one minister who has no priority other than preserving the domestic security of all Australians and that is a clear focus and it is a rational, logical change. It's consistent, as you also said, with the way the British Home Office operates. And I think it reflects both logic from an operational and policy point of view. So this will ensure that we are keeping Australians safe and we're doing it better every day. That is my only focus.

**DAVID PENBERTHY:**

Prime Minister, the fact that all of these new, sort of, not powers, but the lines of command are going to be largely sort of pointing in the direction of the Immigration Minister. Does that reflect the fact that -and probably the worst example of system failure involves Man Haron Monis in the Lindt Café siege. The fact that that guy was going to, was able to play Australia off a break, coming here as a refugee, sort of sneaking his way into the country and then being known to ASIO but not probably being treated with the level of gravity that he deserved. I know that the official line from ASIO and indeed



from all arms of government is that there is no link between the refugee intake and terrorism. But there have been instances, a number of instances where people who are bad people have come to this country and have ended up doing abominable things – is that a bit of a concession that maybe we do need to pay a little bit closer attention to the type of people that we are letting in?

**PRIME MINISTER:**

Well we pay very close attention, David, I can assure you. I mean, take the 12,000 refugees we took in from the Syrian conflict zone. National security checks that ASIO supported by other agencies conducted on them were extremely intense.

Can I tell you – you cannot compromise on national security. You have to be, as Prime Minister, relentless.

**DAVID PENBERTHY:**

I know but with Monis, I'm not blaming you for Monis, that happened way way back in the past.

**PRIME MINISTER:**

Sure.

**JOURNALIST:**

But that was an example of failure at large surely?

**PRIME MINISTER:**

Look, there's plenty to criticise about the way Man Monis was handled, not least the fact that he was on bail at all.

**DAVID PENBERTHY:**

Yeah.

**PRIME MINISTER:**

This was an extremely violent person on charges who should not have been given bail. But you know, what I'm looking at is I'm not responding to particular incidents.

We take into account every terrorist incident or attack whether it's in Australia or of course internationally. We discuss them with our international counterparts. I was over in London the other day talking about these issues with the British Prime Minister and her Home Secretary.

You know, we are constantly seeking to improve the way our agencies operate. You know, it is common sense and logic that the agencies which operate, which are focused and are collaborating and should be supporting each other on domestic security, should be in the same Department. That's how they are in

other countries. The reason they're scattered between three agencies, three Departments I should say, in Australia, is really you know a function of history and the way these things have developed.

Now other Prime Ministers have looked at doing this, both Liberal and Labor. It's a long overdue reform. I'm tackling it, taking it on. Not in response to a particular event of a failure or a crisis but because I'm constantly seeking to improve our national security. So whether it's giving our troops the ability to target and kill terrorists in the field whether they are you know carrying a gun or a knife or not. I've changed the law to do that. Whether its ensuring that terrorists who are in jail and have completed their sentences, won't get out of jail if they're still a threat to society, we've changed the law to do that. Whether it's ensuring that where somebody has terrorist connections or advocacy or a history of that, there is a presumption against giving them bail or parole, again you saw I secured the support of the Premiers and Chief Ministers to keeping those people off the streets.

So every day, David, my focus is what can we do to improve the way our excellent agencies operate, whether it's with law or money or structures, to keep Australians safe.

**DAVID PENBERTHY:**

Just before we let you go PM, there's been a lot of discussion this week about some of the comments that have been made by the former New South Wales Liberal Premier Nick Grenier about the need for the Federal Government to get a bit more focus and cohesion. Have you had any sort of discussions with Nick Greiner about how you make that happen and could that potentially include giving some sort of ministerial role to your predecessor Tony Abbott to smooth things over?

**PRIME MINISTER:**

Well the most important thing to focus on for me – and Nick Grenier understand this and agrees with this – is to focus on doing my job, delivering on my commitments to deliver security and opportunity for Australians.

And look at what we've achieved in 12months. You know the election as a year or so ago, look what we've done.

We've got through so much more through the Senate than anyone predicted, anyone imagined was possible.

We are governing, we are delivering, we've dealt with schools funding – national, transparent, needs-based funding for the first time in the Commonwealth's history.

We've made huge changes in terms of national security.

Again, always optimising and improving the protections Australians have.

We've got through the big changes to industrial law, restored the rule of law to the construction sector in the teeth of ferocious opposition from the CFMEU and the Labor Party.

So many more changes, child care, you know we've talked about a lot of them before. So this is a Government that is delivering, that is governing. Yes, we've got a slim majority in the House of Representatives. Yes, we've only got 29 votes out of 76 in the Senate. But we are getting on with the job and delivering on our commitments to the Australian people.

**DAVID PENBERTHY:**

Just finally PM you haven't had to have a quick conference call with the Government Whip to make sure that you haven't got any dual citizens kicking around in the Party Room have you?

**PRIME MINISTER:**

Well I'm sure everyone who was born overseas is checking that they don't have dual citizenship. But you know, it is extraordinary that two out of nine Greens Senators made that mistake. I mean it's not as though it's a secret. It is in the Constitution. That's one thing, but also when you nominate for Parliament there's actually a question that says please confirm and tick the box and confirm that you are not in breach of Section 44 and the various provisions that are set out there.

**DAVID PENBERTHY:**

Should we change it do you think? I mean it's hardly like Canada and New Zealand are part of the Axis of Evil.

**PRIME MINISTER:**

Well it's in the Constitution, so you know it'd be a big deal to change it.

But frankly David, I think if you're a member of the Australian Parliament you should be a citizen of only one country and that's our country.

**DAVID PENBERTHY:**

Yeah.

**PRIME MINISTER:**

Look, these two Greens Senators were careless and they've paid the price for it. Australians expect, they're entitled to expect as the Constitution says, that their parliamentary representatives have allegiance to one nation and one nation only and that is our nation.

**DAVID PENBERTHY:**

Malcolm Turnbull, Prime Minister. Thanks very much for joining us on 5AA Breakfast.

**PRIME MINISTER:**

Okay, thank you.

[ENDS]

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## [‘Belt and Road’ among top media buzzwords: report](#)



“Belt and Road”, “AlphaGo” and “emoji package” are among the most frequently used new words in Chinese media in 2016. [Photo/ Chinanews.com]

“Mobike,” “AlphaGo” and “emoji package” were among the most frequently used new words in Chinese media in 2016, according to a report released Tuesday.

Other popular terms included “Long March spirit,” “South China Sea” and “Tiangong-2,” said the report released by China’s Ministry of Education and the State Language Commission.

The annual report, which was the 12th of its kind, was compiled based on information from the language database of the National Language Resource Monitoring and Research Center.

According to the report, “rule,” “small goal,” “change” and “Belt and Road” were the most popular terms of the year.

Linguists noted that media frequently used the word “rule” to express the

citizens' increasing awareness of abiding by regulations under changing circumstances.

The popularity of "small goal" was a demonstration that the Chinese people are positive and practical. "Change" and "Belt and Road" represented citizen's common aspirations for interconnectivity and win-win cooperation, said linguists.

Widely used terms in "bullet screens" and car stickers were also included in the report. Terms such as "baby onboard" reflected changing values and sentiments of the public, the report said.

Experts noted the emergence of low-brow terms in "bullet screens" and car stickers, calling for stronger guidance and supervision.

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## [Snow Dragon to assess acidification of Arctic Ocean](#)



Members of China's research team set up an ocean profiling float at a short-term data acquisition location near the icebreaker Xuelong, or Snow Dragon, in the Arctic Ocean, Aug 18, 2016. [Photo/Xinhua]

The Chinese icebreaker Xuelong, or Snow Dragon, will set sail on Thursday for a research mission to discover the extent of acidification in the Arctic Ocean.

It is internationally acknowledged that acidification – mainly caused by

carbon dioxide emissions into the sea – is rising in the ocean and already covers a larger area, according to Xu Ren, deputy director of the Polar Research Institute of China.

“It may trigger environmental disasters and affect marine biodiversity,” he said at a media briefing on Tuesday. “Ocean acidification is a major issue facing the international community, along with global warming and marine pollution.

“Although the situation in the Arctic Ocean is not as bad as other oceans, it will deteriorate with global warming and the decrease of sea ice in the Arctic,” added Xu, who is team leader of this year’s 83-day expedition.

China has pledged to conduct an annual Arctic expedition to make long-term and systematic scientific observations, and strengthen its position on the world stage regarding international governance of the Arctic region.