

## China to offer all help to school bus crash relatives

China will offer every assistance to crash relatives, ministry says

The Chinese leadership has issued instructions for relevant departments and localities to help deal with the aftermath of the deadly Tuesday traffic accident in Weihai, Shandong province, the Foreign Ministry said on Wednesday.

Twelve people, including 11 kindergarten pupils, were killed when a school bus crashed and then burst into flames as it traveled through a tunnel in the coastal city in northern China.

Of the 11 children, who were aged between three and six, five were from the Republic of Korea and six were Chinese nationals. They were all pupils at an international kindergarten in Weihai, Xinhua quoted local authorities as saying.

“The Chinese side is in communication with the ROK through diplomatic channels” and will help with any issues to be resolved, said a written statement issued on the ministry’s website.

Members of the ministry’s staff have been assigned to provide comfort and assist the families of the dead, the statement said.

Shandong province and Weihai city launched contingency response plans immediately after the crash, and leading local officials went to the site and guided operations by relevant departments, it said.

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## Radio interview with Eddie McGuire and Luke Darcy, Triple M Melbourne

**PRIME MINISTER:**

Good morning.

**EDDIE MCGUIRE:**

Prime Minister – a couple of things – we want to get through the budget and also might want at the end to ask you a little question about how you went last week in the United States.

But first off, can I say to you your budget to me comes across from a

political side of things as a beauty in the way that you've fixed up, probably, Bill Shorten in some of the elements of it and also you've washed out Tony Abbott and his influence in his budgets over the last few years. Is this the resetting of your Government going forward and the setting up of the finances of Australia?

**PRIME MINISTER:**

It's definitely setting up the finances of Australia Eddie. What it's also doing is guaranteeing Medicare, it is guaranteeing that the National Disability Insurance Scheme is fully funded and it is also ensuring that school funding, right across Australia, is transparent, consistent needs-based.

Fair, above all, this is a really fair budget and it sets us up for the future.

\$75 billion dollars invested in infrastructure. It is a budget for the future, bringing it back into balance, ensuring that we don't fling a mountain of debt onto the shoulders of our children and grandchildren.

It's a much stronger budget in terms of budget repair, than the previous one because we've recognised there are some savings measures that we can't get through the Senate. We've tried, we can't do that. We're raising some additional revenue. As you've mentioned, well as others have mentioned, obviously the bank levy and increasing the Medicare levy in 2019 and what that does it set us up for the future with security, opportunity and fairness.

**LUKE DARCY:**

Prime Minister is it a fair budget for Victoria though? This show broadcasts exclusively to Victoria and Melbourne. We are Melbourne and Melbourne only. And you've guaranteed another \$5.3 billion for a second airport in Sydney and another rail link. If I'm in Sydney now you've got my vote-

**PRIME MINISTER:**

You've already got a second airport of course.

**LUKE DARCY:**

But we've also got a lot of projects here Prime Minister that are underfunded compared to the deal on asset recycling. There's \$1.46 billion that is underfunded that hasn't been addressed in this budget. We've taken a lot of calls this morning saying where's Victoria's share? Why does Victoria get duded compared to Sydney?

**PRIME MINISTER:**

No, Victoria – we're delivering into Victoria an additional \$1 billion, additional \$1 billion in infrastructure funding including the \$500 million Regional Rail Package, \$30 million to plan for the Melbourne Airport Rail

Link, and the Regional Rail Package includes \$100 million to upgrade the rail line out to Warn Ponds on the Geelong line which I've often caught and a \$100 million to upgrade the North East rail line and we are also tipping in another \$20 million for the upgrade of the Murray Basin Rail which we funded last year.

So there's a lot underway in Victoria.

We've got \$500 million at work towards the Monash Freeway upgrade. Another \$500 million for the M80 Ring Road. And you know there is the other opportunity for an additional substantial injection of infrastructure money into Victoria if we reach agreement, which I am confident we will, to acquire Victoria's share of Snowy Hydro. I was talking to Daniel Andrews about that yesterday and we've actually discussed it prior to that. So we are open to acquiring Victoria's share that would be a substantial amount and part of the deal would be as Daniel and I have discussed the proceeds would go into priority infrastructure.

**EDDIE MCGUIRE:**

We love the, Prime Minister, we love the-

**PRIME MINISTER:**

Sorry?

**EDDIE MCGUIRE:**

No, I was going to say love the idea of the Snowy mountains, I think that's just been a wonderful idea and as it gets executed, sensational, big tick for that one.

Victoria will say though and with good reason that you're giving the \$5 billion for the New South Wales airport and then they get their bit.

What we're getting is you will sell off an asset and get the money that we own anyway and we're only getting 10 per cent of infrastructure funding compared to our population of 25 per cent of the country.

**PRIME MINISTER:**

Well can I say to you though, Eddie, it's very important to have the projects you see - we are looking at this, we're putting the money into examine the Melbourne to Tullamarine rail project and if that stacks up that would be ideal for us to invest. We've got \$10 billion National Rail Fund, we've identified, we've guaranteed or delivered \$1 billion initially of that to Victoria. We can do more in Victoria but what we've got to do is find the projects.

I mean the Melbourne Metro you may remember the Victorian Government said they didn't need our money they had it all fully funded. So it's identifying the project and you will always find that as big projects come and go as they're identified, as they're planned, as they're built - funding will

differ from one state to another. But what we need in Victoria is some great projects where we can play a leading role and ideally take an investment. As you know I prefer us to invest in economic infrastructure rather than just being a dumb ATM.

**EDDIE MCGUIRE:**

Yep, na, it's a good point well-made. Prime Minister I think the frustration that comes to Victorians at the moment is that it just seems like Canberra always is telling Victoria what they want and the State Government of Victoria who has been elected by Victorians, as opposed to the Federal Government has been elected by Australians, is never getting, we're not on the same page. The Victorian Government have a mandate to do things, Federal Government want to do things but want to do it their way. Surely you and Daniel Andrews, two smart intelligent guys who could get this done need to sit down and drive these ideas rather than always be at cross swords with each other?

**PRIME MINISTER:**

Well I'd be very open to doing that. I mean he obviously had a big difference on the East-West Link but you've got to remember that was the policy, the contracted project of a duly elected Victorian government – it's just that they lost the election and the new government came in and decided to cancel it and spent over \$1 billion in doing so.

**EDDIE MCGUIRE:**

Yeah but that's past history, we're moving forward.

**PRIME MINISTER:**

Eddie, look, my approach is practical and pragmatic. I'm not interested in ideology or partisanship for partisanship sake. We are always ready to work with state governments whether they're Labor or Liberal to achieve a great outcome for the people of any state.

**EDDIE MCGUIRE:**

Prime Minister I know you've got to do – one quick one – what was your response or your reaction to Donald Trump and being in American last week? We see he's knocked over the FBI Director, James B Comey this morning.

**PRIME MINISTER:**

Yes, yes I've seen that. Look the meeting – he could not have been – he and Melania Trump, the First Lady could not have been warmer. It was as I said it was more family than formal. They were very generous and hospitable. We got on very, very well as I think people could see. It was a great first meeting and I have to say also it was inspiring to be in the presence of those veterans, the old guys in their 90's who as teenagers had turned the tide of war in the Pacific in the Battle of the Coral Sea.

**LUKE DARCY:**

Prime Minister – it's a big morning for you. We appreciate you taking some time out for us here on Triple M's Hot Breakfast and good luck with the rest of the day.

**EDDIE MCGUIRE:**

And a lot to like about it.

**PRIME MINISTER:**

Thank you.

**[ENDS]**

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## [Duo detained for killing swan in downtown Shanghai](#)



Two men has been detained by police for allegedly stealing and killing a black swan from Xujiahui Park in Shanghai, police said.

The duo, surnamed Zhou and Wang, allegedly stole the black swan around 1am on April 20 from the park and slaughtered it at their rented home. Zhou confessed to police they kept it in the fridge and planned to eat it later. They later threw it away because it didn't taste good.

The suspects had planned to catch fish in the first but gave up after seeing security guards patrolling. On their way out, they saw the black swan and grabbed it around its neck, police alleged.

The missing of the bird was reported to the police on April 20 by the park securities who also provided surveillance footage.

The two people were detained on charges of hunting and killing wild animal and further investigation is underway, police said.

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## Good retail sales and no shop price inflation

The April retail sales figures were good. Total sales were up 6.3%. The delayed Easter reduced the March figures and flattered the April ones as I argued at the time of the March release. We can now see the underlying pattern, which is still one of decent growth. Food has been stronger than non food, with the BRC itself saying that taking the two months of March and April together food sales "were up by around 4% on last year, exceptional growth by all recent standards". More importantly, there was no overall shop price inflation, giving the lie to those who have argued rising prices will follow from a weaker pound.

Why haven't prices risen as some said? There is considerable competition in world goods markets. There is even more competition in UK retail. The main store groups have increased their trading areas at the same time as on line retail has provided formidable competition to them. Discount retailers have kept their prices down, whilst use of the web has enabled shoppers to look around for the best deals especially for the larger items. The pound is now strengthening again, some 8% up on its lows. I do not expect that to suddenly cut prices, just as I did not expect a price surge from the previous falls in sterling.

The construction outlook has also brightened. Recent figures imply good growth in house building coming through, and a quickening of the pace in industrial property. New offices are weaker. Overall the PMIs and the recent starts figures point to a growing industry with more investment in buildings.

It is interesting to note that the FTSE 250 Index of smaller companies with more UK business as a proportion is now up by one third since June 27th 2016, whilst the large companies in the FTSE 100 with more exposure to foreign currency earnings are up by 23%.

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## Interview with Kieran Gilbert, SKY News

### **KIERAN GILBERT:**

With us now, the Prime Minister Malcolm Turnbull.

Mr Turnbull thank you for your time, a busy morning for you. The banks, according to some chatter around the markets, they're already talking about lifting the mortgage rates from 14 to 15 basis points to recover the levy. Is that a bit rich? What do you say to them for that?

### **PRIME MINISTER:**

That would be really excessive. But let's see how they react. They don't need to pass this on. They're very profitable and the ACCC will be watching them very, very carefully indeed. It's a competitive market. There are other banks that are not caught by the levy and of course there will be plenty of opportunities for people to go elsewhere if the banks do choose to raise mortgage rates. But the ACCC will be monitoring it very, very carefully.

### **KIERAN GILBERT:**

Have they brought it on themselves? The levy?

### **PRIME MINISTER:**

Well look I wouldn't put it that way, I mean the fact of the matter is that levies of this kind are common right around the developed world. These big banks in particular benefit from the implicit support of the government. You know they are, as they say, too big to fail. That obviously gives them an advantage in terms of fund raising.

We've decided – and again this is not original because many other countries have similar arrangements, Europe in particular – that's it's fair that they make a contribution via this levy. Of course that enables us to help bring the budget back into balance.

### **KIERAN GILBERT:**

Is it like a super profits tax to an extent?

**PRIME MINISTER:**

No, no.

**KIERAN GILBERT:**

Or is it paying for the guarantee guarantee that the government basically provides the big banks? As you say, too big to fail.

**PRIME MINISTER:**

It recognises the fact of that implicit support that government provides.

**KIERAN GILBERT:**

And if they did move within 24, 48 hours, is that just reaffirming people's doubts about the banks and their behavior?

**PRIME MINISTER:**

Well it would be very, I think it would be unwise for them to do that. There's obviously a lot of concern about the conduct of banks. Leaving aside the levy, in the Budget there is a comprehensive banking reform package. As you know we're establishing a one-stop-shop, a Financial Complaints Authority, to deal with small business and consumer complaints, whether it's against banks or indeed other financial institutions and a very rigorous regime relating to the registration and employment of senior bank executives, so that if they do the wrong thing, if they allow wrongdoing to go on, if they don't address it, then they may find themselves deregistered and unable to work in the industry.

**KIERAN GILBERT:**

Anna Bligh says it's a threat to the, it could be a threat to the stability of the banking sector.

**PRIME MINISTER:**

That's nonsense. That's nonsense. I mean in so many other countries in the world there are levies of this kind. In the UK, not only do they have a levy, but they also have to pay additional company tax, a higher rate of company tax. So the fact is that she is the lobbyist for the banks, right? She's not the Premier of Queensland anymore.

**KIERAN GILBERT:**

It helps neutralise the call for a royal commission though, doesn't it?

**PRIME MINISTER:**

Well look, the royal commission idea was always a waste of money. My objection to the royal commission was not that I thought there was nothing



wrong with the banking sector. My objection to it was that it would take years, cost hundreds of millions of dollars, half a billion dollars or something of that order, and it would make a bunch of recommendations which you could write now. Because we know what the problems are.

You have a royal commission when you don't know what's happened and you want to find out. We know what's gone wrong with the banks and the reform measures that are in the Budget are the type of measures that a royal commission would recommend. So we're getting on with it. Rather than wasting money on lawyers and years and years of delay, we're making the tough decisions, the reforms, right now. That's what I promised and that's what I'm doing.

**KIERAN GILBERT:**

On the Medicare levy, Julia Gillard when she introduced a 0.5 per cent increase to the levy back in 2013, in the Parliament she described it as: 'a sliver of an average earners weekly pay packet.' Would you put it the same way?

**PRIME MINISTER:**

No I wouldn't put it that way. Obviously it's 0.5 per cent for people of their income for people that are paying it. You know, it is 0.5 per cent and for many Australian families that will be, they will feel it. They will absolutely feel it but there is a benefit. Because what we are doing is delivering a fully funded National Disability Insurance Scheme, which Julia Gillard did not deliver.

So rather than saying to parents with a disabled child, in a couple of years' time: "I'm sorry, the cupboard is bare. We don't have the funds to support the NDIS anymore," what we're doing is looking all Australians in the eye and saying: "We all benefit from this National Disability Insurance Scheme."

This is literally an insurance scheme. The premium is now 1 per cent of the 2.5 percent of the Medicare Levy. We all pay it and what that means is, we're all covered. So I think this is just, it's fair, it's responsible.

**KIERAN GILBERT:**

Does it reflect your confidence as Prime Minister in the NDIS? There have been all sorts of claims it's running overtime, over budget and so on. But those claims have been in large part repudiated by those in the sector, do you have confidence in the NDIS and where it is at?

**PRIME MINISTER:**

Well I do, but there are obviously issues with implementation and there will always be. It's a big scheme and it's going to cover over 600, 000 people when it's fully you know rolled out by 2019. Which is why the levy comes in in 2019, but it's clearly going to require very close management and attention to detail, all of those things.

You know Christian Porter is you know paying the closest attention to it, he

is the Minister, but it is always going something that needs to be well run.

**KIERAN GILBERT:**

The Tories in Great Britain have said they're not going to balance the books on the back of the poor. David Cameron said words to that effect and yet another budget another cut to foreign aid from the Coalition?

**PRIME MINISTER:**

Well we froze it, it is frozen for a couple of years. But the important thing is that we are a substantial foreign aid donor. The important thing is to make the dollars that we spend on foreign aid spent effectively.

You know there's a lot of people that measure the value of foreign aid, you know the virtue of foreign aid by reference to the dollars. We're more focused on ensuring that we get the right outcomes and that we get the right outcomes in terms of improved governance and in terms of improved amenity in the countries that we're providing aid to.

**KIERAN GILBERT:**

The critics including some former, or one of your former staff members and former chief of staff to Tony Abbott, Peta Credlin says she said, I think, which side of the chamber right now they're both Labor governments? Both high tax, high spend governments. What do you say to the suggestion that you haven't done enough to rein in spending?

**PRIME MINISTER:**

Well we've done frankly, a lot more and even since the last election we've achieved \$20 billion, now actually over \$25 billion of total savings. We've achieved that through the Senate, so we have achieved a lot of savings. But there are a number of measures that we cannot get passed by the Senate and you know, at some point you have to confront reality. I think confronting reality is a very important thing for everyone to do, particularly in politics. You have to recognise that if you cannot legislate savings through the Senate than you have to find other ways of bringing the budget back into balance.

**KIERAN GILBERT:**

So this is plan B?

**PRIME MINISTER:**

This is a fair and responsible Budget. It's setting us up for the future. It's making the investments in infrastructure, \$75 billion in road and rail alone. It's making, providing the incentives to business, reducing company tax – first for the small and medium sized businesses as you know – and of course by bringing the budget back into balance and doing so credibly.

You've just had Chris Richardson here saying what a good budget it is. You've

had Moody's affirming our AAA rating. So the experts are saying: "Yes, this is a responsible budget."

Now what is the hallmark of Liberal National governments? It's responsible economic management. This is a responsible budget and it's delivering a strong surplus in 20/21 and it is a more rapid progression to balance and surplus than even we forecast in the budget last year.

**KIERAN GILBERT:**

A couple of quick issues just before you go, I know you have got a busy morning.

On housing affordability there was, expectations were quite high. This savings mechanism through superannuation, does it go as far as you need to, to try and alleviate some of the pressures? Particularly in Sydney and Melbourne, for people trying to get in?

**PRIME MINISTER:**

Well it's only one part, the housing package is a very big one and it provides support for first homebuyers and the savings package and you know, assistance there. It also unlocks supply in a very physical way. For example, in Melbourne, with that big defence site at Maribyrnong which we will open up for housing, that will be over 6,000 homes will be able to be built there. That is big, you know it is within ten kilometres of the Melbourne CBD. We are also working with state and local governments to ensure that they liberalise zoning and change zoning requirements to enable more housing to be built. That's been the big blocker in Sydney in particular.

**KIERAN GILBERT:**

Yeah.

**PRIME MINISTER:**

And of course Scott has provided considerable incentives for the development of more affordable housing. So you know, and of course, providing of real incentive and indeed a tax, if foreign owners of residential property do not either occupy or rent it. So that's just to get around this problem of overseas buyers buying apartments and then just locking them up and leaving them vacant for years.

So it is a big, well-thought-out package and that is why all the housing sector, you know, industry groups have praised it. They've seen it as being very well researched, very well thought through and addressing the real challenges.

**KIERAN GILBERT:**

Last question and it relates to the unemployed and the many, you would think, assume, would have drug issues. Is it fair?

**PRIME MINISTER:**

Yes.

**KIERAN GILBERT:**

To do this? Because-

**PRIME MINISTER:**

It's not only fair but it's actually-

**KIERAN GILBERT:**

They're in a very tough spot, to put that added pressure on them?

**PRIME MINISTER:**

Yes, but you see you're helping them out. Look, if somebody has got an addiction to drugs and you love them, what do you want to do? You want them to get off it, don't you?

**KIERAN GILBERT:**

It's not that easy though is it?

**PRIME MINISTER:**

Well but hang on, this is the question. You want to help them get off drugs?

**KIERAN GILBERT:**

Of course.

**PRIME MINISTER:**

Of course you do. So what this does is it helps them. If they test positive, if they do have that dependency then they get the cashless debit card, they get management – cash management, income management is very important – and also will get the support, access to rehab to get them off the substance abuse. Because frankly, unless they do that, they can't get a job and the best form of welfare, after all, is a job.

I mean all of our policies, we shouldn't – the Labor Party very often misses the point here. The object of welfare is, as far as possible, is to provide a safety net to enable people to get back into the workforce. That is what we want to do. That's Australians want to do and so addressing substance abuse is helping them. This is a very important positive step.

**KIERAN GILBERT:**

PM, appreciate it. Thanks.

**PRIME MINISTER:**

Great to be with you.

**[ENDS]**