

# Interview with Neil Mitchell, 3AW

**NEIL MITCHELL:**

Mr Turnbull, good morning.

**PRIME MINISTER:**

Good morning.

**NEIL MITCHELL:**

Prime Minister, North Korea has written to ASEAN to ask South East Asian countries for their support and warned there could be a nuclear holocaust, that we are on the brink of war. Is it possible we are heading for nuclear war?

**PRIME MINISTER:**

There is the possibility and the risk that North Korea could launch an attack on its neighbours.

That is the reason why there is so much effort being put into seeking to stop this reckless and dangerous conduct by the North Korean regime.

They are a real threat to the peace and stability in the region and of course, to the whole world.

**NEIL MITCHELL:**

So that means there is a possibility of nuclear war?

**PRIME MINISTER:**

The North Korean Government has nuclear weapons. They regularly threaten to use them and so, if they carried out that threat, that would involve a nuclear attack.

How other countries reacted, of course, would depend on events.

But at this stage, obviously they have not carried out those threats and their threats can appear sometimes to be theatrical and over the top, and they've been subject of satire.

But I can assure you that my Government takes North Korea, the threat of North Korea very, very seriously. As do all the other governments in the region.

And the government that above all has the greatest leverage and ability to bring North Korea to its senses, is China.

They have the greatest economic leverage and what they need to do – and as

you've seen, President Trump has been discussing this directly with the President of China – what the Chinese need to do, is to work with the United States and other countries in the region to bring North Korea to its senses and stop this reckless conduct and all these reckless threats.

**NEIL MITCHELL:**

It's well reported their missile capability is not yet able to reach Australia but are we looking at upgrading our missile defence systems?

**PRIME MINISTER:**

Neil, the answer is that we certainly have extensive arrangements with our allies, in particular the United States, but we do not deploy in Australia a missile defence system like the THAAD system that the United States is deploying in South Korea at the moment.

**NEIL MITCHELL:**

So does that mean we do not change our missile defence system?

**PRIME MINISTER:**

No it doesn't mean that. It means that obviously as threats evolve, our response to them would evolve. But right at the moment we do not deploy a THAAD – this is the anti-missile system that is being deployed in South Korea – we do not have, we don't deploy that in Australia. Nor do we see the need to do so.

**NEIL MITCHELL:**

North Korea is working to get a missile that can reach this country. What are we doing to stop it?

**PRIME MINISTER:**

What we are doing in terms of stopping North Korea is continuing our pressure on the regime through extensive sanctions, economic sanctions which are designed to bring North Korea to its senses. And of course, urging North Korea's neighbours – in particular China – to bring its considerable pressure to bear, its considerable leverage I should say, to bear, on North Korea to change its ways.

China has the greatest leverage over North Korea.

It is its neighbour and its biggest economic partner by a very very long way.

**NEIL MITCHELL:**

So is China doing enough?

**PRIME MINISTER:**

Well you've got to judge these efforts by the outcomes Neil, and so it

clearly has not been enough to date because the reckless threats and conduct by the North Korean regime has continued.

Look, I would say, I was asked about this the other day when Vice President Pence was here and I said I was quietly confident that Chinese pressure would cause a change in direction in North Korea. I haven't revised that.

But I think that the Chinese do have, my impression is that they are showing a greater awareness of the need for them to bring their influence to bear on North Korea.

**NEIL MITCHELL:**

Okay.

**PRIME MINISTER:**

But, you know, this is a difficult situation. I have to say North Korea is not a satellite state of China in the way say East Germany was of the Soviet Union –

**NEIL MITCHELL:**

Yep.

**PRIME MINISTER:**

You know in the days of the Cold War. So the Chinese have their own frustrations in dealing with Pyongyang, there is no doubt about that. But having said that, they have the economic leverage over North Korea. They can bring that pressure to bear and they need to, because Kim Jong-un is threatening in an extraordinarily reckless way, the peace of the region.

**NEIL MITCHELL:**

Former Major General Jim Molan, I was talking to him last week and he said he thought that his was the most tense time we've seen since, potentially since World War Two. What do you think?

**PRIME MINISTER:**

Well Jim's probably a better military historian than me, perhaps better than both of us, but it is a very tense time on the Korean Peninsula, extremely tense time. That is why, you know, there is so much attention being paid to it.

This is one of the matters I discussed with US Defense Secretary James Mattis when I was in Kabul just recently visiting our troops there and in Bagdad in the lead up to Anzac Day.

And gosh, I tell you Neil when you see those young Australians in uniform in the field you cannot help being filled with enormous pride. As you know, the work they're doing in training and supporting those two countries as they,

you know, build up their defence forces and their police forces, is really extraordinary. They're making a phenomenal contribution, young men and women there in very difficult circumstances. They are great young Australians. They're Australia's finest there in very tough circumstances doing a very good job.

**NEIL MITCHELL:**

Okay. This obviously will be a matter for discussion with the American President next week too, will it not?

**PRIME MINISTER:**

Yes, it will. Yes, absolutely.

**NEIL MITCHELL:**

What else? Can you tell us what else you will have on the agenda?

**PRIME MINISTER:**

Well there will be a number of things on the agenda and of course, but I would say the three, the two top security issues are; North Korea as we've discussed, the Middle East where we have a substantial military deployment across Iraq and Afghanistan as you know, and we are one of the largest participants in that coalition against ISIL and of course the Taliban in Afghanistan.

So North Korea, Middle East, Syria, Iraq, Afghanistan.

And of course on the economic front, the global economy.

Very interested to talk to the President about how he sees the progress of his move to cut taxes – in particular business tax. You know, we've succeeded as you know in getting company tax cuts for companies up to \$50 million turnover. But obviously if he succeeds in bringing US company tax down to 15 per cent, that will underline the point I've been making for a while that we've got to let Australian companies be competitive.

**NEIL MITCHELL:**

Tell me is Australia still deputy sheriff to the United States?

**PRIME MINISTER:**

(Laughter)

It's not a term I would ever use.

**NEIL MITCHELL:**

Well how would you describe the relationship?

**PRIME MINISTER:**

Well our relationship is one of an Alliance, you know, the United States has no closer ally than Australia. America is our most important ally.

**NEIL MITCHELL:**

So we're sort of co-sheriffs are we?

**PRIME MINISTER:**

(Laughter)

I'll leave the western metaphors to you. You sound like you've been reading a bit of Zane Grey lately.

**NEIL MITCHELL:**

Very basic stuff after the international relations, gas prices. I took a call from Greta yesterday on the program – a pensioner, lives alone, relies on gas heating.

**CALLER:**

I can't afford to run the ducted heating all the time, it's just the prices. It's scary.

**NEIL MITCHELL:**

So what do you do to keep warm?

**CALLER:**

Well last night I sat on my chair and I rugged myself up with a big blanket and that's how I keep warm most of the time.

**NEIL MITCHELL:**

We have many people ringing saying the same things. To cut through it all and the politics and the business and everything, can you promise Greta and the other that their gas bills will come down?

**PRIME MINISTER:**

Neil, I'm not going to promise, make a promise like that to Greta. What I can say to you is this – and this is important to get beyond the glib, the one off lines – what we have seen, and I can explain how this happened-

**NEIL MITCHELL:**

Yeah, but I don't-

**PRIME MINISTER:**

Well hang on Neil.

**NEIL MITCHELL:**

I don't want glib but she wants an answer.

**PRIME MINISTER:**

Well the answer is that what I am doing, what I have done with the export measures that we have taken, will ensure that wholesale prices, there is downward pressure on wholesale prices.

Now wholesale prices of gas are a portion of Greta's bill. I don't know what her bill is but you know, a typical, many Victorians would be paying in excess, around \$1400 a year for gas. Victorians use more gas than people do in other parts of Australia. But if around 15-20 per cent of your gas bill at home in Victoria comes from the wholesale price.

**NEIL MITCHELL:**

Well you're talking about the wholesale price coming down by 50 per cent, do you stand by that?

**PRIME MINISTER:**

Now hang on, hang on, no listen – let me just let me be clear about this – that is actually not what I said.

**NEIL MITCHELL:**

Oh okay, it seemed that you did.

**PRIME MINISTER:**

No I want to be very clear about this because Shorten misrepresented me as he always does.

What I said was that the – manufacturers in Victoria have been, are being offered right now, long term wholesale gas contracts at around \$20 a gigajoule which is a massive increase on where they've been in the past.

And what I said was, that if the market in Australia, the domestic market is adequately supplied, and that's what the export measures I've announced are going to do – that's their objective – then the price should be around half that or less.

And that is confirmed by industry experts, Tony Wood from the Grattan Institute in Melbourne confirms that so what I was talking about and the reason for that Neil is that that figure, that sort of \$10 or a bit less figure is around what the export price is.

So my point is that if the market domestically is fully supplied then Australian wholesale customers should not be paying materially different price to what exporters are paying.

**NEIL MITCHELL:**

Okay but Prime Minister – let's get back to the people who are sitting in their lounge room unable to use the gas. Now we've got the industry saying it's not going to achieve anything. We've got some others saying it's not going to achieve anything-

**PRIME MINISTER:**

No, no-

**NEIL MITCHELL:**

We've got some saying it's going to be a disincentive to investment-

**PRIME MINISTER:**

Okay, well-

**NEIL MITCHELL:**

Has Greta and her mates, have they got any hope at getting cheaper gas bills?

**PRIME MINISTER:**

Well there will certainly be, the measures I've undertaken, the government has announced, will put downward pressure on the wholesale price of gas and that is a portion of Greta's bill but its only part of it.

**NEIL MITCHELL:**

So we don't know really?

**PRIME MINISTER:**

Well it depends on how the gas company makes it up, I mean I've got the ACCC focused on these energy prices – there's been a lot of concern, we talked about this last time, I think, about electricity prices in Victoria.

But you don't have to take my word for saying that the measures I've undertaken will put downward pressure on prices, you had the head of the ACCC Rod Sims in the media yesterday saying 'of course if you have more supply in the market then that puts downward pressure on prices'.

**NEIL MITCHELL:**

Okay – so if it doesn't work in say six months to a year, would you look at doing something else?

**PRIME MINISTER:**

Well again, we will obviously, we review the effect of all of our policies Neil but the most important thing is to save the jobs that are being threatened. I know, you have got businesses around Australia and there are a lot of them in Victoria, Viridian Glass is one I went to the other day, which are very heavily dependent on the price of gas. If gas prices, if this

shortage of gas were to continue in Australia, in eastern Australia then you would see thousands of jobs being lost.

Now I want to make one very important Victorian point, your listeners should understand that the real problem we have in gas in eastern Australia is the Victorian Government refusing to allow exploration and development of gas in Victoria. You've got heaps of gas in Victoria.

**NEIL MITCHELL:**

I've got the Premier here at 9am – what should he do? I'll put it to him. What should he do?

**PRIME MINISTER:**

Well what he should do, he has got a ban on both conventional and non-conventional gas. Now non-conventional gas is what involves fracking, coal seam gas, that sort of thing – that has been controversial in many places but it's obviously being widely done particularly in Queensland.

So he's got a moratorium on that but he's also got a moratorium on conventional gas exploration.

There is a huge amount of gas in Victoria.

**NEIL MITCHELL:**

So what do you want – him to lift both moratoriums?

**PRIME MINISTER:**

Pardon?

**NEIL MITCHELL:**

You want him to end both moratoriums?

**PRIME MINISTER:**

Yes.

**NEIL MITCHELL:**

Okay. Alright.

**PRIME MINISTER:**

Well what we need, I tell you Neil that the solution, the longer term solution to the gas crisis in eastern Australia is more gas.

It gives me no joy to take these tough measures to limit exports to protect Australian jobs.

**NEIL MITCHELL:**



Yes.

**PRIME MINISTER:**

I mean, I'm doing it because I will always put Australian jobs and Australian businesses and Australian families first but longer term, what we need is more gas, so that we have got plenty of gas for Australians and we've got plenty of gas to sell overseas and make lots of export dollars. We should be able to do both.

**NEIL MITCHELL:**

Couple of other quick things if I may – Yassmin Abdel-Magied, the young women who tweeted so unwisely on Anzac Day, 'Lest. We Forget'.

**PRIME MINISTER:**

Yes.

**NEIL MITCHELL:**

She's on the Council for Australian-Arab Relations – a Government council. Should she be?

**PRIME MINISTER:**

Look, I'll leave that to the Foreign Minister. Julie said she's going to reflect on that.

Look, I'd say this about Yassmin Abdel-Magied – she made a, that was a very inappropriate tweet. Anzac Day is a day when Australians come together, commemorating not a victory–

**NEIL MITCHELL:**

Yeah.

**PRIME MINISTER:**

You know, we're a remarkable nation, Neil. Our national veterans' day is not celebrating a great victory. Gallipoli was a tactical disaster. But what we celebrate and commemorate is the human spirit, mateship, the endurance-

**NEIL MITCHELL:**

But she's done a silly thing. She has done a silly thing.

**PRIME MINISTER:**

She has done a silly thing.

**NEIL MITCHELL:**

What about the ABC? What about them at least condemning it? I mean that's a

far more important thing in the sense that the ABC says: 'Oh well, she's only a part-time presenter and her views are her own.' If that person worked for me, I'd certainly have an opinion on it. Wouldn't you?

**PRIME MINISTER:**

She's been roundly criticised.

**NEIL MITCHELL:**

Not by her employer.

**PRIME MINISTER:**

Well again that's a matter for her employer. I know that her –

**NEIL MITCHELL:**

Well the employer is yours. I mean you employ the employer. We employ the employer – it's the ABC.

**PRIME MINISTER:**

Righto, well the Communications Minister, who is a minister in my Government and who is responsible for the ABC, condemned the tweet, you know was very critical of it and talked about how inappropriate it was. Abdel-Magied recognised that she had made a very serious error of judgement. As I understand it she took the tweet down, she deleted it and apologised as she should have done. And she should very carefully reflect on that error of judgement.

**NEIL MITCHELL:**

And you won't make a call on whether you want her working for your government or not?

**PRIME MINISTER:**

Julie Bishop has said that she's going to consider it and it's a matter for Julie to deal with that.

**NEIL MITCHELL:**

Fair enough. Now can you explain to me how the federal deficit can all be wiped out by a bit of creative accounting?

**PRIME MINISTER:**

Well you can't wipe out the deficit by creative accounting. I don't know what you're talking about.

**NEIL MITCHELL:**

Well it can certainly be reduced. These changes Scott Morrison has revealed

about the deficit and the way that it'll be assessed, the net operating balance, which effectively would reduce the deficit over a period of time by more than you expect. How does that work?

**PRIME MINISTER:**

Look I think Scott is making a different point. He's making the point between good debt and bad debt. The point that's he's making is, I think, one that everyone understands.

**NEIL MITCHELL:**

Well I'm struggling.

**PRIME MINISTER:**

Okay – well I'll explain it.

There is a difference between the debt you run up because your recurrent expenses, you know operating expenses for Government, exceed your revenue in taxes and the debt you run up to build economic infrastructure.

**NEIL MITCHELL:**

I see.

**PRIME MINISTER:**

It might be the NBN. It might be, you know, a new railway line. It might be a new –

**NEIL MITCHELL:**

Well it won't be because the infrastructure is an asset, effectively.

**PRIME MINISTER:**

Correct. That's exactly right.

**NEIL MITCHELL:**

Okay.

**PRIME MINISTER:**

It's the difference between, Neil, a family living beyond its means and running up debt that way, or going into debt to put an extension on the house or buy an investment or something like that.

**NEIL MITCHELL:**

So does that mean we'll borrow more?

**PRIME MINISTER:**

Well if you borrow –

**NEIL MITCHELL:**

We as a country will borrow more?

**PRIME MINISTER:**

No, it doesn't mean that.

What it means is that you should aim to live within your means as a country, so that you're not throwing a burden of debt onto the shoulders of your children and grandchildren.

Ideally, when you do borrow, you should be borrowing to build long-term assets which of course you pass on to subsequent generations, but you do so, you pass on the asset–

**NEIL MITCHELL:**

You still have to service the debt though.

**PRIME MINISTER:**

There is the debt, but they get the asset.

**NEIL MITCHELL:**

Okay. Just something else quickly – the unedifying debate going around on the Australian Olympic Committee – do you feel it's undermining the Olympic ethic, the Olympic movement?

**PRIME MINISTER:**

It's a very bad look there's no doubt about that.

Now John Coates has apologised for some remarks he made in an email and that was appropriate for him to do that.

But there's also these allegations of bullying. I know they're being contested, but I am the patron of the AOC although I obviously don't have a vote in the election. I just say that once this election is over which I think is in a week or so, the new board, the new president needs to quickly deal with this issue.

The allegations have got to be thoroughly investigated, dealt with because the Olympics are about an ideal of sportsmanship and giving everyone a go and excellence.

**NEIL MITCHELL:**

Yes.

**PRIME MINISTER:**

The Olympics are such an ideal – to have allegations of this kind surrounding it is very unsatisfactory. And the only way to deal with that is sunlight Neil. You've got have it properly investigated and dealt with, and if people have done the wrong thing, then they should be –

**NEIL MITCHELL:**

Dealt with yep.

Okay, Prime Minister I thank you very much for your time. I'm sorry we are out of time. Thank you very much for speaking to us.

[ENDS]

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## MOD apologies for poster error



The poster that contains wrong elements on the MOD's official Weibo account.  
[Photo/Weibo.com]

China's Ministry of National Defense (MOD) made a formal apology on April 27 for using an illustration in a recent post of its official Weibo account that contained major errors.

The MOD spokesperson, Senior Colonel Yang Yujun, during a regular press briefing on April 27, said the error was a result of negligence by the editors.

"We have noticed too that the picture wasn't correct and that caused netizen criticism. Our editors made the error but their superiors also share the responsibility," he said.

In the post dated April 23, the 68th anniversary of the PLA (People's Liberation Army) Navy, which is also known as PLA Navy Day, the country's first-ever aircraft carrier CNS Liaoning was shown cruising accompanied by two warships. Also in the picture were three jet fighters flying in the sky and another one taking off from the carrier's flight deck.

Keen military fans among Weibo users spotted almost instantly that the two warships were USS San Antonio amphibious transport docks (also known as landing platform docks), the three jet fighters were J-10 of the PLA Air Force and the one taking off was a Russian MiG-29 (some said it was a Su-35), casting a shadow of a passenger jet on the carrier's flight deck.

In other words, the poster apparently having been edited using Photoshop software, contained two U.S. Navy vessels, one Russian military aircraft and three Chinese air force aircraft – the CNS Liaoning being the only correct element in the picture.

Most comments questioned the editors' professional aptitude and some joked that the poster's quality was "at most that from a roadside print shop."

The spokesperson said many friends had suggested immediately delete the poster, or at least turning off the comment function on the page; however, the MOD purposely decided to keep the erroneous picture on the Internet as "a gesture to show sincerity in the face of good-willed criticism."

"We believe that the harsh criticisms from [netizens] reflected their deep love and heartfelt support to us," said Yang. "Leaving the picture along with the appended comments was an alert for us. It serves as a constant reminder to us about working hard and to keep progressing."

"On behalf of our editing team, we offer our sincere apology as well as gratitude to people who pay attention to us, care about us and support us".

As of 11:00 PM on April 27, the Weibo post has received 3,477 likes, 2,460 comments, and has been retweeted 2,945 times.

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**[Initiative helps students easy for top computer games institute](#)**





Pixseed Institute for Digital Art, a state-of-the-art new learning space, is unveiled on April 28, 2017. [Photo/China.org.cn]

The IELTS test of English ability is no longer a must for Chinese students vying for top computer game institutes abroad thanks to new arrangements agreed with the Scottish regional government, according to a press briefing on Thursday in Beijing.

The rigid requirement for IELTS scores used to frighten many Chinese talented students away from prestigious universities abroad, said Wang Yuyun, president of Perfect World Education Investment Co. Ltd.

“Now, however, with an orientation program in China, which offers both English and computer games training courses, students can prepare for one of the world’s top postgraduate courses at Abertay University [Dundee], which, to some extent, bypasses the IELTS test requirement.”

Pixseed Institute of Digital Art, a state-of-the-art new learning space, is the brainchild of a cooperation agreement between Abertay University, the first one in the world to offer computer games degrees, and Perfect World, China’s online gaming giant. It was signed last December during the China-UK Creative Innovators Forum.

The five-month Master of Professional Practice in Games Development Orientation Programme (MPPOP) in Pixseed would provide Chinese students with the ideal preparation for entering Abertay, said Prof. Nigel Seaton, the university’s Principal and Vice-Chancellor.

“Pixseed is a fantastic resource and acts as a tangible marker of the growing collaboration between Abertay University and Perfect World, as well as reflecting the strength of collaboration between the United Kingdom and China

in higher education,” he added.

The progress in internet and digital technologies in recent years has prompted the development of China’s digital cultural industry and created new business patterns, with industries like comics & animation-based games, digital movies, internet literature, internet music and online videos.

China’s game market has become the world’s largest, rising from some 10 billion yuan in 2007 to 160 billion yuan in 2016, a nearly 15-fold jump in a decade.

Figures from the State Administration of Press, Publication, Radio, Film and Television also showed that China’s movie box office grossed 45.712 billion yuan in 2016, a 1,300 percent growth from 3.327 billion yuan in 2007.

The fast growth in the country’s digital cultural industry has caused huge demand for highly-qualified professionals. Surveys show China’s digital content production sector requires at least another 300,000 professionals by 2018.

Established on April 28, Pixseed is a talent incubator that focuses on digital art fields such as games, comics and animation, TV and movies to cultivate talents in design, research and development and management.

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## [PLA regroups ground force into 13 army corps](#)



Senior Colonel Yang Yujun, spokesperson for China's Ministry of National Defense (MOD), takes questions at a routine press briefing on April 27, 2017. [Photo by Chen Boyuan/China.org.cn]

People's Liberation Army (PLA) ground forces have been regrouped into 13 army corps from the previous 18, following a decision by the Central Military Commission (CMC), the Ministry of National Defense (MOD) confirmed on April 27.

"Their designations will be PLA Army No. 71, 72, 73 [up to] 82, and 83 Army Corps," said Senior Colonel Yang Yujun, MOD spokesperson at a routine press conference.

The regrouping of army corps was an "integral remodeling of the army mobile combat troops," and a key step forward in building a powerful and modern army, he said. "It represents a significant upgrade of the PLA from a military force based on sheer size to one based on high quality and efficiency."

In the overall regrouping of all forms, a total of 84 corps-level units have been formed, including the afore mentioned 13 army corps.