

# North Korea Missile Launch

Today at around 7am our time, North Korea launched a ballistic missile which flew over Hokkaido in northern Japan and landed in the Pacific about 1000 kms east of Japan.

Australia condemns this latest reckless, dangerous and provocative act by the North Korean regime which continues to threaten the peace and stability of the region.

Australia is already implementing strong unilateral sanctions against those supporting the North Korean regime's illegal and dangerous weapons program.

The United Nations Security Council has recently decided on tough new sanctions, as well.

We call on all countries to fully implement the UN Security Council sanctions to pressure Pyongyang. Effective implementation of sanctions requires a global effort.

In particular we welcome China's clear intent to implement the latest sanctions which will impose a heavy economic price on North Korea for its dangerous conduct.

China has unique economic leverage over North Korea and with that greatest leverage comes the greatest responsibility and we urge Beijing to use it, to bring this North Korean regime to its senses.

Australia will continue to work with all our partners, including the United States, Japan, South Korea and China, to bring increasing pressure on North Korea to end its dangerous behaviour which poses such a threat to the security of our region and of the world.

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## Interview with Leon Byner, 1395 FIVEaa Adelaide

**LEON BYNER:**

The Prime Minister of Australia Malcolm Turnbull, Prime Minister thanks for joining us this morning.

**PRIME MINISTER:**

Good morning. Good to be with you.

**LEON BYNER:**

We've been confronted today with news that North Korea has launched a missile which flew over northern Japan. What's been the information that you've been given about this?

**PRIME MINISTER:**

I can confirm Leon that the missile flew over the north of Japan and landed in the Sea of Japan about 1,000 km to the east of Japan in the Pacific Ocean. At this stage we assess the missile was an Intermediate Range Ballistic Missile.

I want to say that we condemn this latest missile test in the strongest terms.

The North Korean regime continues recklessly to threaten the peace and stability of the region and indeed of the world. We call on all nations to impose the harshest sanctions as stipulated by the Security Council, against North Korea. In particular Leon, it is vitally important that China plays its part.

The North Korean regime is not a docile client state of China that does whatever Beijing says, by any means. They have a lot of problems with Pyongyang as well. But China has the greatest economic leverage and they have the ability to bring North Korea to its senses without military action and they should use that economic leverage to do so.

**LEON BYNER:**

Why do you think there is hesitation on their part to do this?

**PRIME MINISTER:**

I think there are historical factors. They have been allies in the past, of course. China fought to defend North Korea in the Korean War. So there is a lot of shared history. They certainly don't want to have American forces in that area that is now North Korea. They certainly don't support a unification of Korea at this stage.

But the problem that China faces – and I've raised this with Chinese leaders over many years now – the problem that they face is that North Korea is not to China what East Germany was to the Soviet Union. It isn't a client state that is reasonably accommodating to what Beijing wants. Quite the contrary. It is putting the stability and the peace of the region and hence the prosperity of China, at huge risk with one reckless provocation after another.

**LEON BYNER:**

As PM, where do you think this leaves Australia?

**PRIME MINISTER:**

Well, it leaves us in a region where the single largest, or most severe threat to the stability of our region right now, is North Korea. We all have a vested interest in maintaining the peace and stability of the region and we have to continue the diplomatic and economic efforts to bring North Korea to its senses.

The latest round of sanctions which will see China no longer importing coal and iron ore from North Korea, which will hit them hard, the Chinese will start implementing those they have said, on the 5th of September. So what they have to do, China has to ratchet up the pressure. Now they've condemned these missile tests as everyone has. But China does have unique leverage and with that unique leverage comes unique responsibility.

**LEON BYNER:**

Have you had a security briefing Prime Minister about this?

**PRIME MINISTER:**

I have had a briefing already today and will have Cabinet meeting later and a National Security Committee of Cabinet meeting later today as well and will receive further information. But I have received a security briefing already from our agencies.

**LEON BYNER:**

I want to talk about energy. First of all, and this has been something that you've been asked about a lot but I'll take it in two parts; can you categorically rule out any plan to build a low cost coal-fired power station?

**PRIME MINISTER:**

Well certainly the Government is not planning to build a coal-fired power station, but I might say Leon, there is no 'low cost' coal-fired power station, a new one anyway. The lowest cost coal-fired power station's are the ones that are actually operating. You know, where obviously the capital has been written down or indeed written off many years ago.

**LEON BYNER:**

So from your point of view not only from the Government but even a commercial perspective, it's just not going to happen?

**PRIME MINISTER:**

Oh no, I'm not saying that at all. You asked me whether the Government was planning to do it. I'm saying the Government is not.

**LEON BYNER:**

Sure.

**PRIME MINISTER:**

But no, I think I've often said that I think it would be, given that we are the largest exporter of coal in the world, it would be good if we had in Australia, a state-of-the-art, high-efficiency, low-emission coal-fired power station. But that's not a piece of infrastructure that the Government is planning to build.

We already are making a considerable commitment to Snowy Hydro. Yesterday I was there at the Tumut 2 power station and the Snowy Scheme. Because what we're going to do is create there, the biggest battery in the Southern Hemisphere actually and one of the biggest in the world. Which of course is what you need – what South Australia lacks – to support all of the renewables.

It was interesting to see there, the turbines were whirring away in the Snowy Mountains, generating hydroelectricity. Why were they doing that? Well, because the wind had stopped blowing in South Australia. So, you need to have backup. And this is – again, without wanting to labour the point, your listeners are more familiar with it than anyone – the reason South Australia has the most expensive and least reliable electricity, is because the Labor government decided to have a huge dependence on wind.

Of course, the wind doesn't blow all the time.

They allowed baseload coal-fired power stations to close and at the same time they didn't put in place the backup, the storage, to support the renewables. That was just a combination of ideology and idiocy. Sadly, South Australians pay the price for it.

**LEON BYNER:**

You're having a meeting with power companies again, second time in about three weeks.

**PRIME MINISTER:**

That's right.

**LEON BYNER:**

What do you think you're going to get off them?

**PRIME MINISTER:**

Well, what we'll be doing, we've already got commitments from them and I want to confirm those and see how they're tracking in delivering.

This is all about getting relief from high power bills in the here and now. I mean we talked about Snowy Hydro a minute ago; that is going to put downward pressure on power prices in the future, but it will take five or six years to build. So –

**LEON BYNER:**

So what will the power companies give you now? Making, maybe contracts a little bit clearer? Which is still really, they shouldn't even be legal should they?

Because most of the people that had a look at this including the ACCC have made the comment Prime Minister, that these energy companies are deliberately confounding consumers with over-complicated contracts to make it easier to price-gouge them.

**PRIME MINISTER:**

There's no doubt that inertia and complexity are the friends of the retailers.

**LEON BYNER:**

Yeah.

**PRIME MINISTER:**

So what we're doing is requiring them – and they've agreed to this – to alert people when they're on a plan and it's coming to an end and advise them to what the consequences would be – ie paying more money – if they don't renew it or go onto another plan and instead flip over onto the standard offer. We're also requiring them to advise people whose plans have expired and have gone onto the standard offer, what the better alternatives are.

My goal is to ensure that no Australian family is paying more for electricity than they need to. In other words, they they're not paying on a plan or an offer that is inappropriate for them. Now we're already seeing in response to the action I've taken, my Government has taken, we're seeing people getting offered discounts of 25 or 27 per cent – was one I saw the other day, you're talking there about hundreds of dollars.

I mean an average family's electricity bill is say \$2,500, 25 per cent is a lot of money. Some people are paying, some families – it's about a million families at least that are paying too much – some people are paying over \$1,000 more for electricity than they needs to. So it's really important to ensure that the retailers look after their customers in this way. We're making sure that they do. Now that's something that is effecting electricity prices in the here and now.

The other thing we're doing which is very important in the here and now, is putting restrictions on the export of gas from the east coast. Because again – this was a huge mistake that was made by the previous Labor government both federally and in Queensland – they allowed gas to be exported from Queensland, from the east coast, without ring-fencing or making any provision to protect domestic gas customers, whether it's families or whether it's industrial, businesses and so forth. So we've seen this extraordinary situation where we actually became short of gas on the east coast.

Gas prices went through the roof.

This drove up electricity prices.

This put thousands of manufacturing jobs at risk.

So uncharacteristically for a Liberal Prime Minister, I've had to take some pretty heavy-handed interventionist action to put restrictions on the export of gas so as to ensure there's enough supply domestically. That already has seen the spot price, the wholesale price of gas, coming down. So it's having some impact.

But it gives you an understanding Leon, that whether it's in the long-term, putting in the storage capacity that will make energy affordable and reliable in the future, or whether it's right here in the here and now, today, we're taking action on every front to ensure energy is affordable and reliable

**LEON BYNER:**

I want to talk about banking, because we read now that the Government is going to tighten the rules about bank executive pay. But it does seem, as soon as we hear about wrongdoing among the banks, another inquiry is announced. Wouldn't it be just better to have a Royal Commission into the entire sector and be done with it?

**PRIME MINISTER:**

Well let me deal first with the point about remuneration. In the Budget, we announced measures to make banking executives more accountable, so that they will all have to be registered. If they do the wrong thing, they will essentially lose their registration. APRA can take that away. They will lose the ability to continue working in the sector.

We've also taken measures to ensure that bonuses are not paid all in one hit, that they have to be, 40 per cent for most bank executives and 60 per cent for the senior people, have got to be deferred for at least four years. Now that's modelled on measures that were taken in the UK.

Turning to question of inquiries; what APRA is doing is doing a targeted examination of the Commonwealth Bank, which will report in six months. You see my focus is on getting results and protecting Australian customers of banks.

Look, Royal Commissions have their use there's no question about that. But a Royal Commission into the banks would take many, many years before it was concluded, before you got any recommendations.

We need action now. So we've just talked about what we're doing with bank executive remuneration. Rather than waiting three years for a royal commission, we're introducing the legislation when the Parliament comes back.

We established a one-stop shop, so that people who have problems with a bank or an insurance company or a financial adviser or superannuation, can take that to one -in effect- 'super ombudsman' who will be able to help them get a resolution.

Now what people want is resolutions, they want compensation. An inquiry, a Royal Commission, it cannot compensate anyone. It can't change a law. All it can do is hear evidence – over a long period of time inevitably and at great cost – and then make some recommendations, inevitably years into the future.

**LEON BYNER:**

Prime Minister just quickly, there's been this wave of dissent which seems to have been imported out of the United States for what's happened there with statues of Robert E. Lee, into our statues and what they represent and British colonization and Australia Day.

How do you feel about councils involving themselves in discussing these matters?

**PRIME MINISTER:**

We stand by our history and our Australian values. My Government's position and my position is that we should honour Australia on Australia Day, on the 26th of January.

Australia Day ceremonies begin, as we know, with an acknowledgement of our First Australians. They always begin with a Welcome to Country, and acknowledgment of country.

They honour and celebrate our multicultural society.

They honour our history and they generally end with a citizenship ceremony in which you'll have a new citizen, you might have a little baby in the arms of her migrant mother.

So we honour our entire, extraordinary achievement as Australians. We are the most successful multicultural society in the world. We are strong in our diversity. We should honour that and be proud of it and that's what we do on Australia Day.

As far as the statues are concerned, Bill Shorten is in the paper today basically rewarding vandalism. Now, you had shocking criminal vandalism against statues in Sydney's Hyde Park over the weekend.

Bill Shorten's response to that, has been to say that the inscription should be changed. I mean, how absurd. What's he going to do get a chisel out and start changing the inscriptions on statues that are a hundred years old, or a hundred and forty years old?

I mean these are part of our history. If councils or somebody else wants to put up a statue that reflects a different view of history, they can do that. If they want to have an interpretive plaque somewhere, they can do that.

I mean that proposition that you start revising, reediting your history, is thoroughly Stalinist. I mean this is what Stalin did; when he bumped off one of his henchmen Leon, he would not only you know shoot them, then they'd go back and they'd doctor all the photographs, so that they became 'non-

persons'.

I mean we've got to recognise our history. Recognise that a statue like the one of Captain Cook which was put up in 1879, of course speaks to the values and perspectives of 1879. That's no reason why we can't put up another monument, nearby or somewhere else, which speaks to perspectives and historical perspectives of 2017.

But he can't – I mean what are we going to do, go into the library and start pulling out history books from the 19th century and burning them because we don't like 19th century historians' view of our history?

This is an absurd, totalitarian, intolerant approach to our history.

A free society, does not burn old books, it writes new ones.

It doesn't tear down old statues, it builds new ones.

It honours its history and that's what we should do.

**LEON BYNER:**

Malcolm Turnbull thanks for joining us today.

**PRIME MINISTER:**

Thanks Leon.

**[ENDS]**

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## [Australia condemns North Korea missile test](#)

Australia strongly condemns North Korea's latest ballistic missile test.

The missile flew over Japanese territory, posing an unacceptable threat to peace and stability in our region.

This morning's test firing represents a serious escalation by Pyongyang. It is a provocative and threatening act by a dangerous regime.

North Korea's nuclear weapons program is in violation of multiple United Nations Security Council resolutions and continues in defiance of repeated demands by the international community for the regime to halt these actions and focus the country's resources on the welfare of its impoverished people.

Australia calls on all countries to fully implement existing UN Security



Council resolutions to place pressure on Pyongyang to change its behaviour.

We also call on major economic partners of North Korea, including China and Russia, to use their bilateral economic leverage over Pyongyang to persuade the regime to abandon its illegal missile and nuclear weapons programs.

In addition to implementing all UN Security Council resolutions, Australia continues to implement a strong autonomous sanctions regime against individuals and entities supporting North Korea.

We will continue to work with our partners, including the United States, Japan, the Republic of Korea and China, to impose costs on the regime in order to end its threatening and destabilising behaviour.

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## [Interview with Leigh Sales, ABC 730](#)

### **LEIGH SALES:**

Joining me in the studio is the Prime Minister Malcolm Turnbull, thank you very much for coming in.

### **PRIME MINISTER:**

Yeah, great to be here.

### **LEIGH SALES:**

You've been Prime Minister now for nearly two years. How is it possible that in all of that time you've not yet managed to have a signature achievement?

### **PRIME MINISTER:**

Well, we've had huge achievements. The reform of all-school funding, Commonwealth school funding the first time in the nation's history.

### **LEIGH SALES:**

That is a continuation of a Labor policy, I'm asking what's your signature achievement.

### **PRIME MINISTER:**

Well, it is my achievement because it is our policy. We brought that in.

What about restoring the Building and Construction Commission, restoring the rule of law?

What about reducing company tax so that small and medium businesses can

invest and get ahead?

What about reforming child care so that families on lower incomes in particular get more access to childcare than they could before?

We have made one big reform after another. And people in the press gallery said, "You'll never get anything through the Senate." "Poor old Malcolm", they said, "he's in government but not in power, in office, but not in power." And yet we have done more in the last year or so since the election than was achieved in the previous three years of the old Senate.

**LEIGH SALES:**

But do you really want historians to look back and when they look for your signature achievement they go oh well it was the continuation of a labor policy –

**PRIME MINISTER:**

But what about Snowy Hydro?

**LEIGH SALES:**

And say it was the company tax it was the ABCC-

**PRIME MINISTER:**

Look Leigh, you can be as negative as you like...

**LEIGH SALES:**

That is a very easy question-

**PRIME MINISTER:**

No, No

**LEIGH SALES:**

I'm asking you to nominate your signature achievement.

**PRIME MINISTER:**

My signature achievement is ensuring that Australians have got the opportunities to realise their dreams, ensuring that we have a strong economy, ensuring that we have 240,000 jobs in the last year, ensuring as I was up in the Snowy Mountains today, that we have the biggest pumped hydro storage scheme in the Southern Hemisphere, which could – and I believe will – be expanded to be the biggest in the world, that will make renewables reliable.

You know, I often hear on the ABC people saying, "Oh, the government is not committed to renewables," this is the biggest renewables project in our history since the Snowy Mountains scheme was built.

**LEIGH SALES:**

I will come to renewables in a moment, but nonetheless, the Snowy Hydro scheme – it hasn't happened yet – you're in the feasibility study at the moment. It is not exactly your signature achievement yet.

**PRIME MINISTER:**

Well, Leigh, it is underway. The drilling is underway. 350 people are working there. There will be 5,000 people working when it's fully under construction. All of these projects take time.

You know, you look right across the country at the achievements we're making, we don't talk about infrastructure – we're getting it built. Whether it's Snowy Hydro, whether it's the inland rail, whether it is one big infrastructure project after another, we're getting on with it. I've talked about some of the big policy achievements that we've made – what about the way in which we've taken one step after another to ensure that Australians are protected against terrorism? Australians...

**LEIGH SALES:**

When...

**PRIME MINISTER:**

Leigh, I know you are not interested in it. Let me say to you, when I get out into the pubs of Australia, and into the cafes and into the sidewalks, when I get out into regional Australia, what Australians are talking about is energy, they want to know what we're doing to keep energy affordable and reliable and Snowy Hydro is a big part about that. They want to know what we're doing to keep them safe, they want to know what we're doing to encourage investment and employment, that's what they're focused on and that's where we're delivering.

**LEIGH SALES:**

When you became Prime Minister two years ago you gave a series of reasons why change was necessary and in your first interview on this program I asked you what the foundations of a Turnbull Government would be and you immediately said it would be a free market government. How does your massive government intervention in the energy sector square with that?

**PRIME MINISTER:**

Well look, I've intervened massively in the gas market, for example, in a way that I – that gave me no pleasure to do so. But the reality is that the Labor Party, a government Bill Shorten was a minister in, allowed export facilities to be built on the east coast...

**LEIGH SALES:**

But we're talking about your government-

**PRIME MINISTER:**

No, no.

**LEIGH SALES:**

You said you were going to be a free market government.

**PRIME MINISTER:**

Well, Leigh, please don't interrupt me so much that I can't even finish a sentence.

**LEIGH SALES:**

I won't interrupt you if you answer the question.

**PRIME MINISTER:**

Well I'm answering the question. The gas market in the east coast of Australia has been short of gas. Why is that? It's because the Labor Party allowed gas to be exported from the east coast without any regard to protecting domestic industries or families or households. I have had to take very strong, heavy-handed measures to protect Australian jobs. That's what I've done.

**LEIGH SALES:**

So do you not believe in being a free market government then?

**PRIME MINISTER:**

I believe in protecting Australian jobs and in policy that is well-informed.

What Labor did – if I had not intervened, there would have been tens of thousands of jobs lost in the manufacturing sector, all because of negligence and complacency on the part of the government that Bill Shorten was a minister in. The Gillard Government.

**LEIGH SALES:**

Will you announce even more government spending to fund a coal-fired power station as part of the deal to get your party room to support the introduction of clean energy targets?

**PRIME MINISTER:**

We have no plans to build a coal-fired power station. We are already taking strong steps on Snowy Hydro, which, as you know, is a government-owned energy company. It belongs to three governments – Victoria, New South Wales and the Commonwealth Government. We're prepared to take out the states. It is a vitally important national project. It's vitally important national infrastructure.

**LEIGH SALES:**

Do you rule out funding any further coal-fired power stations.

**PRIME MINISTER:**

Well we have no plans to do so, Leigh.

**LEIGH SALES:**

Okay.

**PRIME MINISTER:**

We have no plans to do so, there is a market out there with plenty of opportunities to fund additional energy infrastructure, but if you want to make renewables reliable – if you believe in renewables, if you believe in them having a future – then you can't be like Labor and just allow renewables to be built without paying attention to the fact that-

**LEIGH SALES:**

Well, let's stick with what you're doing-

**PRIME MINISTER:**

..that the sun doesn't shine all the time and the wind doesn't blow all the time. You've got to have the storage and that storage is what Snowy Hydro represents on the largest scale.

**LEIGH SALES:**

Alright.

**PRIME MINISTER:**

..ever undertaken in the country's history and it may not be of interest, Leigh, on the ABC, but let me tell you – in the families, in the households around Australia, they want to know what is happening to assure that energy is affordable and reliable and we're taking steps in the here and now and in the long-term.

**LEIGH SALES:**

Prime Minister I think you'll find plenty of stories about the Snowy Hydro and power prices on the ABC.

Nonetheless, the major power companies of today said the thing that they believe will reduce power bills is if you, or when you, introduce a clean energy target. When will you make a decision about that?

**PRIME MINISTER:**

Well, first, we need to be satisfied as to what the gap in baseload power is

going to be over the next five and ten years.

**LEIGH SALES:**

And when will you be able to work out thank out?

**PRIME MINISTER:**

Well we're getting a report from AEMO very shortly and that is a critical thing because-

**LEIGH SALES:**

So will you make a decision on this by the end of the year?

**PRIME MINISTER:**

Let me finish. The critical thing to remember is that if you bring in intermittent renewables like wind and solar, that obviously wind doesn't blow all the time, sun doesn't shine all the time, you understand the problem. If you bring them in and replace baseload power that generates all the time, you run the risk that you end up with inadequate baseload power, massive spikes in energy prices, huge reliance on gas, - which is already too expensive, although we're bringing that price down -so you need to have that backup. The Labor Party's approach to energy has been driven by ideology and politics...

**LEIGH SALES:**

We're not talking about the Labor Party, we're talking about your government.

**PRIME MINISTER:**

And my government's approach is governed by engineering and economics.

**LEIGH SALES:**

Well as you know-

**PRIME MINISTER:**

The certainty you need - well the certainty you need, Leigh, is that the government is taking wise and considered decisions, not like the mistakes and the negligence we've seen from Labor.

**LEIGH SALES:**

Okay - but as you noted in your press conference when you declared that you were challenging Tony Abbott, you said, "Every month lost is a month of lost opportunities." Now, you have had the Finkel report now for months.

**PRIME MINISTER:**

Yes, and we're considering it very carefully and we've adopted 49 of the 50 recommendations but the clean energy target requires a lot more work to be

done to ensure that we will get baseload power...

**LEIGH SALES:**

Quickly, before we move on, will you make a decision on that by the end of the year.

**PRIME MINISTER:**

We're certainly aiming to do so, Leigh.

**LEIGH SALES:**

Okay.

**PRIME MINISTER:**

But can I just say this to you – I'm focused on making the right decision for Australia's future. We're taking steps to keep energy prices affordable, and make sure that energy supply is reliable – that's my commitment. That's my obligation.

**LEIGH SALES:**

Along with the commitment to the free market, another principle that you said would be key to your government was freedom. Do you believe that a national vote on same-sex marriage is also a vote on religious freedom, or freedom of speech, as Tony Abbott has said?

**PRIME MINISTER:**

No, it is a vote on a question of principle – should same-sex couples be able to marry? That's what it is a vote on.

**LEIGH SALES:**

So you don't think it has implications for religious freedom?

**PRIME MINISTER:**

Well, the legislation that follows, assuming it is carried, will certainly have implications for religious freedom, and Australians know that the Coalition is much better able to protect religious freedoms in legislating for same-sex marriage, were the postal vote to be 'yes', than Labor would. So Australians can trust us to carefully consider those issues and make sure that religious freedoms are protected, at the same time as same-sex couples are able to marry, assuming that's what the people say they want in the plebiscite.

**LEIGH SALES:**

Given how vehemently people like Tony Abbott feel about not having same-sex marriage in Australia, what is the source of your confidence that if the yes vote were to get up, that they would then say, "Oh well, fair cop, you guys

won, let's have a conscience vote and have same-sex marriage"?

**PRIME MINISTER:**

Well, that is our policy, we will have a-

**LEIGH SALES:**

Do you really think they will go along with that?

**PRIME MINISTER:**

Well, Tony Abbott has said if the postal vote is yes he will vote for same-sex marriage, so that's just one person. But I can assure you that if the postal vote delivers a Yes vote – and I encourage Australians to vote Yes, Lucy and I will be voting Yes – then I have no doubt the legislation will sail through the parliament.

**PRIME MINISTER:**

You and Bill Shorten both support a Yes vote – wouldn't it have some influence if you got together and did something like a television advertisement where you said we don't agree on-

**PRIME MINISTER:**

Together?

**LEIGH SALES:**

Yeah – "We don't agree on very much but we agree on this."

**PRIME MINISTER:**

Well, I'm not sure it necessarily would. I think each of us can make a case on our own terms.

**LEIGH SALES:**

But together is powerful, you do some things together, you do Indigenous issues together and national security?

**PRIME MINISTER:**

Well thanks, Leigh, but look I'll focus on my job and my approach, which is to encourage Australians to vote yes and the reasons and the basis on which I would advocate that may be different to others. But the fact is I've said all my views out quite a few years ago, long before Bill Shorten said he supported same-sex marriage, by the way.

**LEIGH SALES:**

On the dual citizenship fracas, you've said you are confident that the High Court will rule on the side of Barnaby Joyce but if they don't and you are



then facing a by-election, do you accept that could be the end of the Turnbull Government?

**PRIME MINISTER:**

Leigh, I'm not going to speculate on hypotheticals. The fact is we are very confident, based on the advice we have, that the court will conclude that where a person like Barnaby is an Australian citizen by reason of being born here. The fact that they have had conferred on them by the law of another country citizenship by descent will not disqualify them unless they have acknowledged or accepted that citizenship in some way and plainly and that is consistent in previous decisions of the court particularly the judgments in *Sykes v Cleary*, so I'm confident that's what the court will decide – but of course it's in the hands of the court and we await their judgment.

**LEIGH SALES:**

You say you don't want to speculate on hypotheticals but again, when you first became Prime Minister and you came on this program you said you want to lead a government that respects the intelligence of the Australian people.

**PRIME MINISTER:**

I do, I do.

**LEIGH SALES:**

Do you really think the public will believe you haven't considered the prospect of what happens if Barnaby Joyce loses in the High Court.

**PRIME MINISTER:**

I didn't say I hadn't considered it.

**LEIGH SALES:**

What is your thinking about that then?

**PRIME MINISTER:**

There would be a by-election, obviously.

**LEIGH SALES:**

And could that mean the end of your government?

**PRIME MINISTER:**

Well, Leigh, no, the answer is no. But, Leigh, look, if there were a by-election in the seat of New England, Barnaby Joyce would be returned.

But the fact is that we are very confident that the court will find – very confident – that Barnaby is qualified to sit in the House of Representatives, as indeed, Senator Xenophon is entitled to sit in the Senate, as indeed are

senators Nash and Canavan. So you know there are four of these citizenship by descent test cases going before the High Court. It will hear those cases, and a number of other citizenship cases, in October, so we don't have long to wait.

**LEIGH SALES:**

Alright still respecting the intelligence of the Australian people, why is Barnaby Joyce still in the frontbench and Matt Canavan is not?

**PRIME MINISTER:**

Well, it basically relates to the circumstances in which the matters arose. Canavan's dual citizenship issue arose in the media at a time when he didn't know the facts, he didn't know what the law in Italy was, it was an uncertain period, and he took the decision that he did to step aside.

**LEIGH SALES:**

Right.

**PRIME MINISTER:**

But the difference with Joyce and, indeed, with – you know, Barnaby Joyce and Senator Nash, is that we are able to ascertain what the facts were, ascertain what the foreign law was, get an advice on the Australian legal implications, and then make a fully informed decision.

**LEIGH SALES:**

Well, you've got all that...

**PRIME MINISTER:**

Which was taken by the governance committee.

**LEIGH SALES:**

You have got all that information about Matt Canavan now, so why not put him back?

**PRIME MINISTER:**

Well, Matt's view is that he gave a commitment to the Senate that he would remain stood aside until the court had decided, so he feels he should stick with that.

**LEIGH SALES:**

Many times now it has been pointed out to you that you've lost 18 Newspolls in a row and one of your justifications for calling a spill against Tony Abbott was that he had lost 30 Newspolls in a row. At that time, you said that it was clear that the Coalition was on a trajectory to lose the next election. You are on the same trajectory, are you not?

**PRIME MINISTER:**

Well, I disagree with that – we'll win the next election.

**LEIGH SALES:**

But you have lost this 18 Newspolls in a row, this is the standard you have set for yourself.

**PRIME MINISTER:**

No, well, Leigh, again, that's a – I'm sorry that you're not interested in talking about energy prices, you only want to talk about politics...

**LEIGH SALES:**

Prime Minister, look I'm sorry to have to pull out your own quotes, "Nobody looks at opinion polls with more attention than politicians."

**PRIME MINISTER:**

That's true, we do.

**LEIGH SALES:**

That's what you said.

**PRIME MINISTER:**

I'm very confident we will win the next election.

**LEIGH SALES:**

Will you live or die...

**PRIME MINISTER:**

Because we will deliver, we will continue to deliver the economic leadership that is showing strong growth in jobs – we want to see stronger growth. Every one of our policies will deliver more investment and more employment. Labor, on the other hand, is running an anti-business, anti-investment, anti-jobs, politics of envy campaign, which will only set us back.

**LEIGH SALES:**

Interesting that you raise Labor, because one of the arguments you made at the time you replaced Tony Abbott was if the Liberal Party under Tony Abbott continued on that trajectory, Australia would get Bill Shorten as Prime Minister, which you thought would be a disastrous outcome. If that is your genuine view, surely you must have to keep open the option at some point that you would step aside to give the Liberal Party the best chance of ensuring Bill Shorten would not be Prime Minister?

**PRIME MINISTER:**

Leigh, I'm really not interested in going along with this sort of political commentary that you want to engage in.

**LEIGH SALES:**

You are a politician.

**PRIME MINISTER:**

I am, but you're a commentator and I am a politician and my job is to ensure that Australians have good jobs, that they have affordable and reliable energy, and that they are protected from terrorism, and that they are safe. My job is to deliver Australians safety, opportunity, and to do so in a fair society that enables them to realise their dreams, a government that does everything it can to support that opportunity.

It's your job to run the commentary, cynical, however you want to do it, you can run that. My job is to look after Australians and ensure that they can get ahead.

**LEIGH SALES:**

I just ask the questions, Prime Minister, thank you for coming in to answer some of them.

**PRIME MINISTER:**

Thanks so much.

**[ENDS]**

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## [Doorstop, Cooma, NSW](#)

**PRIME MINISTER:**

Well, it's great to be here in the Snowy Mountains. I'm here with Paul Broad, the Chief Executive of Snowy Hydro and Ivor Frischknecht the Chief Executive of the Australian Renewable Energy Agency. What we are announcing today is that ARENA, that Ivor runs, is contributing \$8 million to the \$29 million feasibility study that Snowy Hydro is undertaking, the work on Snowy Hydro 2.0.

Some of you who have come out on the helicopters will have seen the drill-rigs in operation. What Paul is doing is examining all of the geology all along the route of the tunneling that will be undertaken to connect the Tantangara reservoir to the Talbingo Reservoir. Of course Tantangara is about 700m higher than Talbingo and this will be the biggest pumped hydro scheme in the Southern Hemisphere at 2,000 megawatts. When it is doubled to 4,000

megawatts as I'm sure it will be in the future and indeed it could go up to 8,000, this will be the biggest pumped hydro scheme in the world.

Now this is vitally important to ensure that Australians have affordable and reliable electricity./ This is all about more affordable electricity. We have so much renewables going into the system. So much solar, the cost those of renewables keeps on coming down.

Paul could say a little bit about the cost of solar in particular keeps on coming down. But the sun doesn't shine all time and the wind doesn't blow all the time, so you need to have storage. You need to have a lot of it.

The only way to get large-scale storage in the sort of volumes we're talking about, is through pumped hydro. Now, this has been neglected. Lets be quite frank about this.

The Labor Party – I don't want to be unduly partisan with these distinguished people next to me -but the Labor Party for years has talked about renewable energy. They still do. But they never gave any thought to storage. That's why you had the energy disaster in South Australia.

It is my Government, for the first time, that is putting large-scale energy storage on the agenda.

Not just talking about it, getting on and building it.

350 jobs already created on this scheme. When it is underway, 5,000 jobs.

Right here, in Cooma, 200 people are working in this district on the project at the moment, 50 coming in and out.

So it is a big regional job story, but above all, it is a nation-building energy story.

The Snowy Mountains Schemes has inspired generations of Australians. I can remember, as a little schoolboy, coming and being awed by those machines we've seen today. You know, that's 60 years ago, this project was being built. 60 years ago and it is still working and it will be there for 600 years. This was a nation-building project. What we are doing now is doubling it and we will – I have no doubt, in the future – make it even bigger still. Because you have that capacity with pumped hydro, to just take the energy when it is cheap in the middle of the night, pump it up the hill and then run it down the hill when it is in demand at peak periods.

So this is critically important to ensure more affordable electricity in the future and more reliable electricity. It makes renewables reliable. I want to say to all of those people that love renewables – and I've got two gentlemen on my left and right here, who love them as much as I do – this is the way you make renewables work.

People can talk about it and they can have renewables targets, that's terrific. It's all very good. But if you don't have the storage, you have a disaster. Because when the wind doesn't blow and the sun doesn't shine, what

do you do?

This is an example of economics and engineering forming policy and planning, as opposed to ideology and idiocy, which we have seen from our opponents.

So I will ask Paul to talk about the scheme, where it is up to at the moment, the work that's underway and the work that will be undertaken in the future. Ivor can talk about the role of Arena, which of course is backing innovation in renewable technologies right across the nation.

What about, we went to the big turbine hall at Tumut 2, 224m below ground level. Tell us about the turbine hall that we're going to build for Snowy Hydro 2.0, how big that's going to be in comparison?

**PAUL BROAD:**

Yes, thank you Prime Minister. I really wanted to take you out there today and show you an existing power station. The one we are proposing to build is twice the size, so it's 200m long, two football fields long. From top to bottom it will be a kilometre underground, straight down. So the size of the engineering challenge is enormous.

The information we are gathering now from all the geological work, all the detail design is coming together and we will have the feasibility study done in December. A huge amount of work both from SMEC and Snowy and from experts all around the world are coming together to do this work. Because on world scale, this is huge, this is huge.

**PRIME MINISTER:**

SMEC is the Snowy Mountains Engineering Corporation, it's like getting the band together after a long absence. Getting the old band back. All of those traditions Paul, are coming back.

**PAUL BROAD:**

Quite amazing.

**PRIME MINISTER:**

For this second stage?

**PAUL BROAD:**

Amazing, because the thought process of this started back in 1966. It's a long time for you and I, even. It's a long time ago. To understand the thought that went into it, we've had a few of the old guys would you believe, from those days have come back and critiqued it. So that's been a huge learning curve for all of us. Way down the track, we are looking forward to bringing the feasibility study to life and bringing it to you and the Government and the board in December.

**PRIME MINISTER:**

Fantastic. Now Ivor, come and tell us about what Arena is doing here and also about what is happening in renewable technologies, between solar and wind?

**IVOR FRISCHKNECHT:**

Sure, the Australian Renewable Energy Agency is the Commonwealth's investment in innovative new renewable energy technologies. Renewables are going to keep getting cheaper, particularly wind and solar are going to get a lot cheaper still. The future really belongs to wind and solar but we know they are not available all of the time. In fact, we have this notion of 'peak' in the day, now, and in the early evening and 'off-peak' at night. That's going to shift to 'off-peak' being when wind and solar are not available. Which is going to be at different times of the day, especially wind. It can sometimes be in windy in the day, sometimes be windy in the night. We need to figure out how to store that energy while it's very available, very cheap. That's where hydro comes in.

You can store vast amounts of energy. Even with days on end with no wind or very little solar because it's cloudy, we will have a reliable energy supply. So it's critical to integrate all of these pieces and over the coming years we're going to be doing exactly that.

There are various forms of storage – pumped hydro isn't the only one – but batteries and demand management are very complimentary with the vast scale of pumped hydro. So, batteries are small, they can be distributed around the network, they'll add to reliability. So ARENA is supporting all these different efforts and supporting the integration of all of them to add to reliability.

**PRIME MINISTER:**

Thank you, Ivor. How long will it take to build this, Paul? We'll get him on the sticky paper now!

**PAUL BROAD:**

Well, I don't want to get the cart before the horse, the feasibility study will tell us that. But I mean you know, it's six years type thing. You know? It depends very much on the geology and we'll firm it up in the next month or two.

**PRIME MINISTER:**

That's right. But the important point is this scheme will obviously take some years to build. So it will contribute to more affordable and more reliable electricity in the future, but it's not going to contribute to it tomorrow.

Now, we're also taking action right now to ensure that electricity prices are lower for Australian families. Now, what we've done – Paul has been part of this because Snowy Hydro is also a retailer – he knows we've met with the retailers a few weeks ago. We're meeting with them again this week. They've given us commitments, Snowy was one of the retailers who gave us that commitment to ensure that customers know what the right plan is, that they

should be on. In other words, there are many, we believe that there is at least 1 million households – probably a lot more – that are paying more for electricity than they need to, because they're on the wrong plan. So we're taking action right now to ensure Australians right now are not paying more for their electricity than they need.

We're also taking action on gas prices. Now you know, gas prices have become very high on the east coast. Why's that? Frankly, because of the Labor Party. I see Bill Shorten has been out talking about gas prices today. If I was him, I'd stay away from that because it only reminds people, he was a Minister in the Federal Labor government that allowed the gas to be exported off the east coast of Australia, without putting in protections for domestic gas supply.

They put in none.

As a consequence, because of the poor planning, you saw more gas being exported than was being developed by exporters. The domestic market because short of gas. Prices went through the roof.

So I've taken action to limit gas exports. That has already seen the price coming back, but we will ensure through our domestic gas export mechanism scheme, we will ensure that there is adequate supply of gas for the domestic markets. So that is for electricity generation, industry, households, families and so forth.

So whether it's in the here and now – as of today – or in the longer term and medium term, we are taking action to ensure Australians have affordable and reliable electricity.

But again, it needs engineering and economics.

Ideology, politics, idiocy as we have seen from our opponents, that is not going to deliver anything other than unreliable and unaffordable power.

**JOURNALIST:**

When you talk about jobs in the region, how many will go to skilled migrants?

**PRIME MINISTER:**

The jobs will be set up here. There will be considerable demand for jobs. I don't know, how many people are you bringing in from overseas Paul?

**PAUL BROAD:**

The first preference is really for local contractors here. So a lot of the drilling is being done by the local contractors. Then we source as we go, building a scheme as large as this, globally. So in the next 12-18 months, we'll be sourcing contractors from all over the globe to bring the best we know, they know, to build a project of this scale.

**JOURNALIST:**



Can you confirm that the ARENA board has approved the \$8 million grant for the second stage of the feasibility study? Could you or perhaps Mr Broad, just talk about, like, why is that money needed? Why is there an extra feasibility study when the first one isn't finished yet?

**IVOR FRISCHKNECHT:**

I can confirm that the board has approved it and it is just the one feasibility study.

**JOURNALIST:**

It's an expansion on [inaudible] grant in March?

**IVOR FRISCHKNECHT:**

Yes, because the feasibility study has been reformatted. So it started out as 'a small project'. It has turned into a far larger, far more all-encompassing project. So at the size of it, the overall size of it grew as well.

**PRIME MINISTER:**

That requires a lot more drilling.

**IVOR FRISCHKNECHT:**

Absolutely.

**PRIME MINISTER:**

Yeah, because the key is the geology and without wanting to trespass on Paul's expertise or the expertise of the people from SMEC, one of the big swing factors of the costs is whether the tunnels have to be lined with concrete or not. That depends on the geology.

If it was all going through granite – stop me if I am getting the geology wrong, so far so good – if it was going through granite you stabilise the sides of the tunnel with rock bolts.

If on the other hand it's a more brittle material, if it's different rocks, sedimentary layers and so forth, then you'd probably have to line it with concrete. That has some benefits in terms of the hydraulic efficiency of the tunnel, but it also adds to the costs.

So that's why you've got to do the drilling. We've been over a couple of drill rigs today and they're finding out what is beneath their feet.

**JOURNALIST:**

Prime Minister you've spoken a lot about the pressure that you're trying to put on the electricity retailers to help consumers. One of the things that they were saying after your last meeting is the need for a Clean Energy Target to bring about some sort of certainty there.

How hard will you be advocating a Clean Energy Target within your Party Room, considering it is one of the more contentious parts of Dr Finkel's report?

**PRIME MINISTER:**

Well look, we're working all that and we're working through that with it AEMO. We're getting a report from them, this is the Australian Energy Market Operator. We're getting a report from them very shortly on what the likely gap in dispatchable or baseload power is going to be over the next five and ten years.

We're taking this very carefully. Can I tell you, just having a Renewable Energy Target or a Clean Energy Target by itself, is not going to be able by itself to ensure that we have the baseload power we need in the years ahead. So there's quite a lot of complexity in this. The one thing we do know, is that we will need a lot more storage.

Now, I am the first Prime Minister and I believe the first head of a government in Australia, to really put storage on the agenda. I did that back in February at a speech in the Press Club – many of you were there – and we got in touch with Paul shortly thereafter. To our delight, he said: "Do I have a pumped hydro storage scheme for you," blew the cobwebs off the old plans, didn't you Paul?

**PAUL BROAD:**

That's it.

**PRIME MINISTER:**

Yeah, there they were. So that's why I say there's something very romantic about this; because this idea of using these mountains to store electricity, was part of the original vision of its' founders. There is one pumped hydro element here at Tumut 3, but it is relatively small. This is taking it to another level. It's going to be vital. This is making renewables reliable.

**JOURNALIST:**

You've said a couple of times that having a renewable or clean energy target isn't the be-all and end-all, but the sector across the board has been crying out for the certainty, the policy certainty that having a Clean Energy Target would give. Can you give the sector a timeframe when you might?

**PRIME MINISTER:**

Again, we're working through it. It is very important that you have the right plan going forward. So vitally important that we also get that information from AEMO. We have to get a handle on the size of problem that we're facing in terms of dispatchable or baseload power. Now did you have a question?

**JOURNALIST:**

Yes I do!

**PRIME MINISTER:**

Good.

**JOURNALIST:**

Are there any plans in place to cope with influx of visitors and workers and their families?

**PRIME MINISTER:**

Well I'll ask Paul to talk about that. We were at Cabramurra where he's going to significantly expand the size of that town?

**PAUL BROAD:**

Yes, that's our first move. There are 230-odd beds at Cabramurra now. We're going to expand it to nearly 600 – 700. So in the first flux, we will handle out at Cabramurra, the towns themselves, speaking to the administrators here, they are in the early stages of preparing to upgrade their facilities as well to cater for a significant population growth.

We're also looking then what happens beyond 2.0? Do we go to 3.0 so that you don't see it the boom-bust mentality which can happen here. So we seek to not to crowd out the existing facilities for snow season of the time, so we seek not to damage the existing infrastructure that's here, working with the locals to make sure it can happen. So that's all in train and I think Cabramurra will be our first 'buffer zone' if you like for the influx of people.

**JOURNALIST:**

On the feasibility study at the moment, do you have you encountered any issues with that, or is it too early to tell?

**PAUL BROAD:**

Well, lots of issues, lots of clever engineering going on right at it moment and the geology is difficult, as the Prime Minister said. Geology is quite different from the existing tunnel systems we had and there's a big fork running through the middle of it, so we're testing that out.

So all of those things are part of the mix, they're just part and part of the journey. So we're discovering more as we go. Even today, they were talking about the size of the hall; "Should it be 200 metres or 180 metres?" That sort of thing, that's where that detailed engineering is going in right now. That's so important to this process.

**PRIME MINISTER:**

And how deep will the turbine hall be Paul?

**PAUL BROAD:**

It will be 50 metres deep, 30 metres wide.

**PRIME MINISTER:**

No, but how deep underground?

**PAUL BROAD:**

Oh, from the top, a kilometre.

**PRIME MINISTER:**

Isn't that fantastic? What about that?

**JOURNALIST:**

Prime Minister just on another matter, if I may.

**PRIME MINISTER:**

Before you go to the other matter, are there questions on energy and Snowy Hydro?

**JOURNALIST:**

I have a gas questions.

**PRIME MINISTER:**

Yeah, you can ask a gas question, that's close.

**JOURNALIST:**

There are claims that the uncertainty over the eligibility of Matt Canavan and Barnaby Joyce could let the gas sector off the hook, in terms of the Government's –

**PRIME MINISTER:**

No, don't you worry about that. Don't worry, we will be absolutely assured that the domestic gas mechanism – it's all in hand – and we will ensure that there are adequate supplies of gas for the domestic market. So that is all in hand, I can assure you about that. Now?

**JOURNALIST:**

Prime Minister just on another matter.

**PRIME MINISTER:**

Yes.

**JOURNALIST:**

We've had the news today that CBS will be buying the Ten Network and propping

it up financially there. Bill Shorten has said that that deal effectively means that there is no pressing need to be changing media ownership regulations, as the Government has been trying to get through the Senate. First of all, what is your response to this sale and secondly does it take the pressure off that bundle of legislation?

**PRIME MINISTER:**

Well firstly, I've seen those reports. I certainly would welcome the Ten Network coming into a period of stable ownership and financially stable circumstances. That would be in the interests of the network, its' employees and, of course its' viewers. Turning to media law reform. Look, Bill Shorten has got to stop making excuses for his own lack of energy, we are talking about energy.

We know that the media ownership laws are not just from a pre-internet era, they're from a pre pay-television era. This is literally more than a generation old, the media ownership laws.

We need to have ownership laws that enable the industry to respond competitively to the threat from the internet. From you know, companies like Netflix and Amazon and so forth, YouTube and all those over the-top providers that are competing in the media space now. So all we're seeking to do is to have, bring, drag those media ownership laws into the 21st century.

Now, in terms of Channel Ten. Well, if Channel Ten is bought by CBS, if that goes ahead, fine.

But then you've the rest of the industry. This has not been a 'Channel Ten amendment agenda', this is about ensuring the viability and sustainability of the entire media sector, of the newspaper companies, of Fairfax and in particular of regional broadcasters. I mean they are the ones that are screaming out for these reforms. It is vitally important for regional broadcasters to be able, if it suits their purposes, to be able to merge with larger broadcasters, to acquire the scale to be able to compete in a much more competitive landscape.

I mean these media ownership laws go back to a time when there was no Foxtel, when there was no pay television and there was no internet at all. It is a completely different landscape now.

What Bill Shorten is doing by opposing these reforms, is he's guaranteeing that foreign-owned media companies will continue to be able to advance at the expense of the Australian businesses that are shackled by outdated regulations.

So, here – as in every other part of policy – we're standing up for Australian companies. We're standing up for Australian jobs. It's about time Shorten woke up to himself and recognised that the only beneficiaries of his opposition to media law reform are Google, Facebook, Netflix and Amazon. They're the beneficiaries. They'd be cheering Bill on, because they'd say: "The more divided the Australian media sector is, the easier it is to pick

them off".

So we're backing Australians.

We're backing Australian jobs. In the media, but above all here at Snowy. Snowy Hydro 2.0, 5,000 jobs when it's being built.

More affordable, more reliable electricity for all Australians, making renewables reliable.

Thanks very much.

**JOURNALIST:**

Just on Commbank?

**PRIME MINISTER:**

Oh, okay.

**JOURNALIST:**

Does it strengthen a case for a Royal Commission?

**PRIME MINISTER:**

Quite the contrary. What you see here is the regulator – APRA – responding swiftly, with a targeted enquiry focused on the Commonwealth Bank, which will report in six months.

Now if you had a Royal Commission right? Into the Banks, as Mr Shorten proposes, it would take years. You would be flat out getting an outcome within three years.

What APRA is doing is they're going in, surgically focusing on CBA's problems and issues that have come out through the AUSTRAC case and other circumstances and they're going to have an outcome in six months.

So, the big difference between the way my Government operates and the way Mr Shorten carries on, is he's full of words and talk, but he hasn't got a plan to do anything.

He hasn't got a plan for energy, right? He never talks about storage. He talks. Waves his arms around as often as a windmill, but he doesn't actually come up with a plan.

You can see what we're doing here; energy storage. We're getting on with it. A big viable plan, doable and it's happening. The jobs are here, the project is underway.

With the banks, we're taking action. You see APRA's taking action today. We've given enhanced powers to ASIC. We're setting up a one-stop-shop for people to go to when they've got complaints about banks or financial service, insurance companies, superannuation. You can see we're delivering the

outcomes and the protections Australians' need in the here and now. Focused on the practical outcomes for Australians as opposed to just the rhetorical politics of Mr Shorten.

So thank you all very much.

**[ENDS]**