

Radio interview with Meecham Philpott, ABC Tropical Queensland

MEECHAM PHILPOTT:

Special guest this morning – the Prime Minister of Australia. There is a lot to talk about especially in our region. Prime Minister, welcome along.

PRIME MINISTER:

Yeah, great to be with you.

MEECHAM PHILPOTT:

Thank you very much. Look, the first thing I wanted to get into is there is oodles in the papers today and it is all about the idea of getting more training, more money and more opportunities for single parents. Where's that all come from?

PRIME MINISTER:

This is a big part of our program – we have committed more money, over \$260 million in the budget to a program called ParentsNext and we announced the national roll out of it in Rockhampton yesterday with Michelle Landry at the Roseberry Community Services Centre here.

Basically what it involves is taking parents, they're very often single mothers with some very small kids who perhaps haven't finished school, are out of the work force, have lost confidence and giving them the support to get into employment, to get the skills, to finish school, to get the training. It is tailor made and it is designed to ensure these young parents do not spend a lifetime on welfare.

I mean everything we do in the working age welfare area is designed to ensure that people get back into employment or become employable because the best form of welfare is a job, as you know.

MEECHAM PHILPOTT:

Now, jobs-

PRIME MINISTER:

It's been very successful too by the way which is why we're expanding it.

MEECHAM PHILPOTT:

Because you've been trailing it elsewhere haven't you PM?

PRIME MINISTER:

Yeah we have, we have. It's been successful here, it's been successful in a number of locations around the country so Michaelia Cash, the Employment Minister and I were here with Michelle Landry yesterday and we met some great young, some young and not so young parents and their kids and you can see it's really changing lives.

MEECHAM PHILPOTT:

Okay – but jobs – that's where it comes down to and whether you look in the Capricornia, Tropical North, go up to Townsville, Cairns, wherever, there just seems to be a major problem with unemployment in regional areas. This is something that didn't exist 20-30 years ago. How did it get out of whack?

PRIME MINISTER:

You need, what you need is more investment and more business activity. Now, interestingly I was meeting with some local business leaders last night including at a very good politics in the pub I had here at Headrick's Lane with Michelle Landry and Michaelia and a number of them were talking about skills shortages and difficulty in getting labour to work up in the Bowen Basin up in the mines. But generally what you need is more investment so that's why the budget provides so many incentives particularly for small and medium businesses but are the most enterprising and entrepreneurial.

As you know we're reducing company tax for businesses with turnovers up to \$50 million.

We've got the instant asset write-off. We've renewed that. So this is if you're a business with a turnover of less than \$10 million, next year as indeed in this current financial year you can get an instant write-off, tax write-off for an investment up to \$20,000. You know, that's a good incentive to buy another piece of gear or you know, a vehicle or piece of equipment.

MEECHAM PHILPOTT:

Prime Minister, I do recall a speech of yours a number of years ago and you were saying that when we look back at your prime ministership it would be the age of infrastructure. I was just wondering, things like dams – like Rookwood Weir, Urannah Dam, maybe raising the Burdekin and all those sorts of things – is that where the jobs come from which plugs into ParentsNext?

PRIME MINISTER:

Yeah of course it does. You know, the infrastructure, that's the sinuous of the 21st century economy and Rookwood Weir is a very good example. I was talking to the Premier in Brisbane about it yesterday and talking to lots of people here in Rocky yesterday and last night.

The good thing about the Rookwood Weir proposal – and we have \$130 million on the table if the state government is prepared to get on with it – the good thing about it is it provides an enormous amount of additional water security, but it does not, it isn't a dam in the sense that it doesn't flood a river, it simply backs the river up.

So from an environmental point of view it is a low impact water storage and I think it is one that really the state government should just give the same commitment we have and we can get on with it.

There is a business case being completed. We're very confident, very very confident that will give it a huge tick and I'm urging the Premier to give it the same support that we have.

MEECHAM PHILPOTT:

Prime Minister just on those sorts of projects, I mean, how important is Adani's Carmichael Mine getting over the line for what we are talking about here? Creating jobs in regions?

PRIME MINISTER:

Well, you and your listeners know how important it is – it is vitally important for jobs and investment. Everyone I was talking to yesterday in Rockhampton here is very concerned about the delays and they want to get on with it.

Now again, we have cleared all the federal environmental hurdles.

There is one issue around the Native Title Act that arose out of a federal court decision as you probably know in the McGlade decision and that will be resolved when the Senate next sits by legislation.

We had hoped that the Labor Party would have supported it in the last sitting week, last week, but they chose not to but they've given a commitment to support it in June.

So you know, we certainly look forward to the project going ahead.

Ultimately it is a commercial decision for Adani of course.

MEECHAM PHILPOTT:

Sure. Sure.

PRIME MINISTER:

But can I just make one observation though because I know people have got – and I've met some of the anti-Adani, or saw some of the anti-Adani protestors in Rockhampton yesterday – look, India is a vast country with hundreds of millions of very poor people who have little or no electricity.

MEECHAM PHILPOTT:

Sure.

PRIME MINISTER:

And they need to increase their production of electricity by four times, four-fold by 2023.

Now in doing that they are definitely using a lot of renewables and they're doing solar and wind and hydro and indeed Mr Adani's company has the biggest solar farm in India but they will need a lot more coal.

So they will need more coal in absolute terms and they'll need to import more coal for over the next, for at least another 20 years.

Now if we don't, for those people say 'stop Adani' – are they saying Indians shouldn't have electricity or are they saying Queenslanders shouldn't have jobs?

Because the bottom-line is if the Indians don't import the coal from Queensland, they'll import it from somewhere else and it will probably be lower quality coal that will be worse for the environment.

So the Indians are very – and I've been there, I've met with the Prime Minister and the Energy Minister – they want to give their people access to electricity. They do want to have a lower emissions profile, of course, but they know that in that transition they're going to need a lot more coal for many years to come and we can provide it.

MEECHAM PHILPOTT:

Have they got the money though?

PRIME MINISTER:

Has Adani got the money?

MEECHAM PHILPOTT:

Yeah.

PRIME MINISTER:

Mr Adani expresses great confidence in the financials of the project. But again, that is the matter for him.

MEECHAM PHILPOTT:

Alright.

PRIME MINISTER:

But I'm really just addressing the environmental objection.

MEECHAM PHILPOTT:

Sure.

PRIME MINISTER:

And you know I don't think it is realistic or fair to India frankly.

MEECHAM PHILPOTT:

Alright, fair enough. And also there is also a bit going around in papers this morning about maybe a bit of a, what are they calling it, a 'royalty holiday' for Carmichael Mine. True? Not true?

PRIME MINISTER:

Yeah, well, that's a state government matter of course, Meech, but the Premier has been sceptical about that or said it hasn't been decided and Adani has said the same thing.

MEECHAM PHILPOTT:

Fair enough.

PRIME MINISTER:

You know, that's speculation.

MEECHAM PHILPOTT:

I understand. Alright – just one last question, I know you've got to go PM. The proposed levy for Rockhampton – the Mayor Margaret Strelow has come and said we want it. The feds going to back it?

PRIME MINISTER:

Well, the position is, again, we'll be very guided by Michelle Landry, our Federal Member here in Rockhampton.

MEECHAM PHILPOTT:

Right.

PRIME MINISTER:

She is consulting with the community because, as you know, there are mixed views about it. There are some people for it, some are against it. So she's consulting with the community.

I would say based on the discussions I had yesterday and the feedback I've had from Michelle that the flood mitigation measure that has got the strongest support in Rockhampton is flood proofing the airport so that you can keep the airport open.

MEECHAM PHILPOTT:

Oh right – yep.

PRIME MINISTER:

And clearly also keeping the road communications open during floods.

I mean, I was talking to one of your big horticultural producers here yesterday and his actual operations weren't flooded, but of course he was cut off from his markets for several weeks and that's what had the biggest impact.

So again, look, we'll be very, we are absolutely going to be guided by the wishes of the community and the priorities of the community and Michelle is paying very close attention to it. She's an outstanding local member and of course, you know as well as I do, people of Rockhampton know she's part of the community and she's very very alert to what the people want.

MEECHAM PHILPOTT:

Prime Minister, off to Emerald today?

PRIME MINISTER:

That's right.

MEECHAM PHILPOTT:

More pub tests or anything like that? (Laughter)

PRIME MINISTER:

I've had three 'politics in the pub' in different pubs in the last week.

MEECHAM PHILPOTT:

Right.

PRIME MINISTER:

Two in Queensland in fact and we are having a big community BBQ in Emerald. It'll just be good to meet lots of people there and get their feedback on all of the issues – national and local and international – and of course get their feedback on the budget which I have to say has been well received here in Rockhampton. That's for sure.

MEECHAM PHILPOTT:

Prime Minister, thank you so much for your time this morning. I do appreciate it.

PRIME MINISTER:

Thank you, it's great to talk to you Meech.

MEECHAM PHILPOTT:

Cheers.

[ENDS]

Doorstop with the Assistant Minister for Social Services and Disability Services, the Hon. Jane Prentice MP

HON JANE PRENTICE MP – ASSISTANT MINISTER FOR SOCIAL SERVICES AND DISABILITY SERVICES:

I am very excited today because this is the first visit I've had from the Prime Minister to my electorate and of course where else would I choose to bring the Prime Minister but Glenleighden School. This is one of the most special facilities we have in Ryan and I am delighted that Principal Debra Creed could be here today to show the Prime Minister the wonderful work you do.

Debra – would you like to say a few words about Glenleighden?

MS DEBRA CREED – GLENLEIGHDEN SCHOOL PRINCIPAL:

Yes, I would but first I would like to thank the Prime Minister on behalf of the school, the parents and the students because we've been incredibly excited – this is the biggest thing to happen to Glenleighden in the 40 years it has been open.

We're so excited about the new changes for educational funding because we are in fact the only school in the whole southern hemisphere that caters for students with language disorder and we have been chronically underfunded for various reasons and the new changes to the education funding is going to change so many children's lives. We're going to reach so many more families. I can't thank the Prime Minister enough. So thank you.

PRIME MINISTER:

That's wonderful, being embraced, kissed even by a headmistress! (Laughter) It's a wonderful thing. Thank you so much.

And, look, really, Jane and Debra – what we have done with our schools funding policy and I know Simon Birmingham is in Adelaide today with the state and territory education ministers and I hope that they will come to see that what we have done, as Debra has said, is deliver a fair school funding model that implements to the letter the recommendations that David Gonski made all those years ago.

It is fair, it is needs-based, so schools and students with the greatest needs get the greatest funding. It is consistent. It is national and it is thoroughly transparent.

You can look on the app on your smartphone and you can see exactly what a school is going to be estimated to receive from the Commonwealth this year and every year right through until 2027.

As you know, as Debra has seen, the substantial increase in funding for this school, because of course these are kids who have special needs and they require more attention. But look at the results – you are changing lives here every day. You really are. The parents, the passion of the parents and their love for their children and for what you are doing is so inspiring. Well done. We are glad to support you.

We are also, and Jane of course is the Assistant Minister for Disabilities and is part of our determination to fully fund the National Disability Insurance Scheme. This again is a great national endeavour, a great national responsibility but it needs to be paid for.

The Labor Party implemented it with the support of the Coalition, I have to say, so it had total bipartisan support but it has not been fully funded. There is a \$55 billion gap actually in the funding. What we are asking all Australians to do is to pay an extra 0.5 per cent on the Medicare levy from 2019 when the scheme comes into full operation and that will then also assure these parents and parents of kids with disabilities of all kinds around Australia, permanent and severe disabilities, that the funding for the NDIS will be there.

We won't be in a position where a future Government may have to say: "sorry, there is not enough money, there is no money in the till, we can't afford to fund the NDIS". It benefits everybody and so everyone should pay for it. It is a fair proposal.

Our budget is all about fairness. Schools funding, fair, needs-based consistent national transparency. Funding the NDIS. We owe it to our children, our grandchildren to fully fund these commitments and that is what we are doing.

Debra, the most important thing is the great work you are doing with these children.

MS DEBRA CREED – GLENLEIGHDEN SCHOOL PRINCIPAL:

Thank you. You can have a job with us any time because you read a great story.

(Laughter)

PRIME MINISTER:

I am an experienced grandfather – you know that? But they were great – they listened very well. And very interactive too – paid lots of attention.

As the parents were saying when we were having a cup of tea with them earlier, the progress you have made here in this school with the kids' language skills is extraordinary. They have come from all over the state, all

over Australia, indeed some from other parts of the world to be able to come to this school. It is great work.

Thank you.

MS DEBRA CREED – GLENLEIGHDEN SCHOOL PRINCIPAL:

Thank you. It is an honour and privilege.

PRIME MINISTER:

Thanks Debra.

MS DEBRA CREED – GLENLEIGHDEN SCHOOL PRINCIPAL:

Thank you to Jane too.

PRIME MINISTER:

Jane is a great advocate.

Well, have we got any questions?

JOURNALIST:

Prime Minister, why is the Treasurer making banks sign a confidentiality agreement before they can see the draft bank levy legislation? What are you worried about them doing?

PRIME MINISTER:

That is very conventional practice. This is a process of consultation and it is done at this stage confidentially. But obviously the legislation, when it will be published as an exposure draft and then of course presented into the parliament. There is no issues of confidentiality there.

JOURNALIST:

How often has this happened in the past? Is it always done?

PRIME MINISTER:

It is a conventional procedure. That is what the Treasurer has said and that is my understanding.

JOURNALIST:

Prime Minister is there any scope for a personal tax cut before the next election now that Labor has showed their hand and want to get it down to 49.5 per cent? Is there any scope amongst the Coalition to cut personal tax?

PRIME MINISTER:

Well obviously, we would always rather taxes were lower. We have, as you

know, we have made substantial savings to bring the budget back into balance but the Senate has not agreed with enough of them to enable us to bring the budget back into balance without raising additional revenue.

Hence, we are raising the Medicare levy to fully fund the NDIS. We have sought to do that through savings. We weren't able to achieve enough of them through the Senate and also of course there is the bank levy that the gentleman mentioned a moment ago.

If we are able to lower tax over the next few years, personal income tax, we would do so but clearly, our primary obligation in this area is to make sure that we don't throw a burden, a mountain of debt in fact onto the shoulders of our children and grandchildren and that is why we have got to bring the budget back into balance and that is what the budget does. And in 2020/21 there will be a \$7.4 billion surplus.

JOURNALIST:

Mr Turnbull, is the federal government any closer to funding Cross River Rail?

PRIME MINISTER:

I had a very constructive discussion with the Premier this morning, a very cordial discussion on a range of issues and as far as Cross River Rail is concerned, it is currently being assessed by Infrastructure Australia.

JOURNALIST:

What are the issues?

PRIME MINISTER:

Yes, I will come to that.

The submission or the proposal is inadequate in a number of respects – this is Infrastructure Australia's view and they want to know more about its integration with other transport systems and networks in South East Queensland, about land use opportunities, generally the development aspects of it.

It needs more work. And look, I am not making a criticism of it, I am just stating a fact.

I spoke to the head of Infrastructure Australia shortly before I met with the Premier. She brought her Director-General, Dave Stewart along, and he will be meeting with Infrastructure Australia shortly.

We certainly want to bring the assessment process to a conclusion but at this stage it is still ongoing.

JOURNALIST:

The ATO Deputy Commissioner is facing charges over an alleged fraud involving his son. Is the Government going to be considering further monitoring of government staff and senior officials in the wake of that?

PRIME MINISTER:

I want to congratulate the Australian Federal Police for identifying this fraud and taking the action that they have. We have the best law enforcement and security agencies in the world. People who break our laws, whether it is endeavouring to defraud the Commonwealth and the tax system, whether it is planning terror plots, whether it is trafficking in drugs, our police, our agencies will catch them – catch them, prosecute them and bring the full weight of the law down to bear on them. We have zero tolerance for this type of conspiracy, this type of fraud, this type of abuse of public office.

JOURNALIST:

Is it a failing of the Government that such a fraud had been going on for so long?

PRIME MINISTER:

It is a credit to the police that the matter has been identified and charges have been laid. We are ever vigilant. You cannot be, ever complacent about any aspect of integrity in public life or in government. We have a relentless pursuit of corruption, malpractice, abuse of office, the AFP have a very keen focus on it, I can assure you, as has been demonstrated. Zero tolerance for this.

JOURNALIST:

A special council has been appointed to examine the question of collusion between Trump and Russia. Are you concerned that this is going to distract the US Administration and it could affect important areas, such as trade and military activity?

PRIME MINISTER:

I am not going to buy into political controversies in the United States. I can assure you that our alliance, our relationship is rock solid.

There will always be political controversies in Washington and even from time to time in Canberra. But the important thing is that the relationship and the Alliance is built on the most, on the strongest foundations and it will continue and our cooperation, our close intimate cooperation on security matters in particular will continue as strongly as ever.

JOURNALIST:

Prime Minister are you urging teenagers to avoid having children if they can't afford it under the expanded welfare program?

PRIME MINISTER:

I am sorry, I am not sure about the context of the question you are raising.

JOURNALIST:

If we can go back to the ATO, what will the Government be doing in future to stop incidents like this from taking place? Greater monitoring-

PRIME MINISTER:

Every agency, every Government agency has to impose the tightest or the toughest most stringent monitoring of its processes. And of course, look, this is very, very much to be regretted. I am not suggesting that this alleged conspiracy is anything other than a very regrettable, criminal activity. The fact that there has been a person in the ATO that has been associated or involved is obviously-

JOURNALIST:

But it's not just a person. It's the-

PRIME MINISTER:

No, I understand that, I understand that – but the important point is that the system has worked, the conspiracy has been uncovered and the people who have been involved in it or alleged to have been involved in it are being brought to justice.

As I want to repeat, anyone, nobody should imagine that they can escape our law enforcement agencies, no matter how high they may be in a government department, no matter how high they may be, they are being watched, we have strong systems and we will always – we strengthen them all the time.

We have invested more money and more resources into the anticorruption activities of the Australian Federal Police. They have a whole centre that focuses on it and you can see that the system is working. We have zero tolerance for people who seek to defraud the Commonwealth of its revenue and as I have said many times, we talked about it earlier, ideally we prefer taxes to be lower, but taxes must be paid – they are compulsory and no matter how people seek to avoid them, we will ensure they are paid.

JOURNALIST:

The ParentsNext programme which I think was being referred to – you'll probably have more to say about that later on – but what has been so encouraging about the trial stage that has prompted you to expand it and what do you do about those young parents who are targeting this programme and just simply don't want to work?

PRIME MINISTER:

The ParentsNext programme has been successful and I will have more to say about that later today. But it is a good example of the way in which our Social Services programmes target areas of greatest need and greatest

vulnerability and greatest opportunity to get people, young people, in this case young parents into work. The best form of welfare is a job. The objective of all of these programmes for working age people is to get them job ready and into a job. That is our commitment.

Thank you all very much indeed.

[ENDS]

Helping More Australian Parents Prepare for Work

The Turnbull Government will invest \$263 million to provide training and support to assist thousands of Australian parents return to the workforce.

The ParentsNext programme will be expanded across the country and today the Government has announced 20 new locations.

The centres will connect more parents of young children with tailored support to improve their work readiness by the time their children start school.

Workforce participation is central to improving the long term wellbeing of all Australians. Helping more parents of young children into work will support more families, reduce welfare dependency and decrease child poverty.

ParentsNext currently operates in 10 locations across Australia. From 1 July 2018 it will be expanded and delivered in two streams:

- The first stream will be targeted to the most disadvantaged parents in all 51 Employment Regions covered by jobactive providers; and
- The more intensive stream will be delivered to a further 20 locations where there is a high proportion of parenting payment recipients who are Indigenous Australians. This will complement the ten existing locations.

Since launching in 10 priority locations in April last year, ParentsNext has already helped more than 10,000 parents into training and education, community services such as counselling, or paid work. The programme has made a deep and positive impact in the lives of many parents of young children, who received the support and guidance they needed to find their way into employment.

The national expansion will see approximately 68,000 parents each year receive assistance under the program.

The 20 new locations where the more intensive stream of the programme will operate are:

- **New South Wales:** Dubbo; Tamworth; Mid Coast; North Coast; Inner Sydney; Orange
- **Queensland:** Townsville; Cairns; Mackay; Toowoomba
- **Western Australia:** Geraldton; Broome; Perth South; Perth East
- **South Australia:** Port Adelaide; Port Augusta-Whyalla
- **Northern Territory:** Darwin-Palmerston; Alice Springs
- **Victoria:** Mildura
- **Tasmania:** Brighton

ParentsNext participants receive personalised assistance, including advice on relevant education and qualifications, and training to improve numeracy and literacy.

With approximately 96 per cent of ParentsNext participants expected to be women, the program will complement a range of other Government initiatives designed to increase female employment participation in the workforce.

The Prime Minister announced the expansion during a visit to one of the existing ParentsNext sites in Rockhampton, alongside Minister Cash and Member for Capricornia, Michelle Landry.

“More than 800 parents in Rockhampton have already benefitted from ParentsNext and they are now far better equipped to realise their potential by making valuable contributions to the local workforce. I’m pleased that parents in other regions around Australia will be able to reap the benefits as the program is rolled out nationally,” Ms Landry said.

The Coalition firmly believes that the best form of welfare is a job, which is why we continue to make substantial and targeted investments in all Australians, ensuring they are equipped with the skills and experience they need to get into work.

[Doorstop with Mr Ross Vasta MP, Member for Bonner](#)

MR ROSS VASTA MP, MEMBER FOR BONNER:

Well good morning everyone, it’s great to have the Prime Minister here in the electorate of Bonner. And we are at Australian Innovative Systems, this Elena’s great factory here and this company has gone from strength to strength and it’s great to have the Prime Minister here to see firsthand the innovation in the water technologies. This is a great Australian company which employs local people as the local RNV here and is about to expand with the great announcements of the budget. So Prime Minister thank you for being here in the electorate of Bonner, we’re grateful for you to come here. Budget has been an overwhelming success in the electorate of Bonner. Business’s like

this and the other businesses that you've seen like (inaudible) and Australian (inaudible), so Prime Minister thank you again for being here, keep up the good work and you're always welcome back in Queensland in the electorate of Bonner.

PRIME MINISTER:

Thanks Ross, thank you and thank you for your passion. For industries and particularly small businesses, small innovative entrepreneurial businesses. These are the enterprise, these are the businesses, these are the enterprises that are at the heart of Australia's economic future. Their commitment, their courage and determination, like Elena's to keep on innovating, to finding the new products that she can design and manufacture here in Australia and export around the world.

This is what it is all about. This is what innovation, enterprise investment is all about. And that is why our Budget is encouraging businesses like these. Because we are reducing the company tax rate for small to medium businesses. Already we've legislated for up to business of a turnover of up to \$50 million bringing it down to 27.5 per cent and then going forward to 25 per cent. We want to do more and I have to tell you, we need to do more. Around the world, company taxes, business taxes are coming down. You heard Donald Trump proposing a 15 per cent company tax rate. We have got to be competitive.

Britain is going to 18 per cent, 17 per cent in fact is their target and only last night I was talking to the new President of France, Emmanuel Macron, and I congratulated him on his election and we talked about a whole range of issues, counter-terrorism, security but we also talked about economic issues. He is committed to bringing France's company tax rate down from 33 per cent down to 25 per cent. So you can see this is a global trend. So that's why we are committed to making sure Australian businesses can compete. Now in order to compete, we want them to invest and so we have extended the instant asset write-off for plant and equipment up to \$20,000 up for another year for businesses with a turnover of under \$10 million. That is so important for all of these businesses but of course it is especially important for their customers.

As Elena was talking about just a moment ago, so many swim schools are buying pumps and filtration systems. \$17,000, \$18,000 from her, this is a great incentive for them to upgrade. It is also very important for Barton's of course vehicles, so when they are buying a new truck or new car, new light van, obviously that is a very important part of the incentive. So that's our commitment.

Now as you have seen, Elena employs, and all these companies employ apprentices. Training is at the heart of our whole skills program. So we are abolishing the 457 visas, replacing them with a better targeted system for temporary skilled migration and also introducing a new training fund which we will ensure does more of what these companies are already doing, which is training new employees, training apprentices in order to provide – offer the skilled opportunities for Australians. We will always have skilled workers

coming in from overseas where there are skilled gaps in Australia. But as far as possible, every job, every opportunity should be filled first by an Australian. That is our commitment, training is at the heart of it and we are putting additional resources behind training in this Budget.

So this budget of ours is one for growth, it's for investment, it's backing enterprise, it's backing innovation, it's backing the great Queensland companies we have just been with this morning.

JOURNALIST:

Prime Minister there are reports overnight that the intelligence Donald Trump shared with the Russian's wasn't even shared with Five Eyes allies, including Australia and New Zealand. Is that the case?

PRIME MINISTER:

I won't comment on intelligence sharing other than to say that we have a very close intelligence-sharing relationship with the United States and our other Five Eyes partners. It is as close as it possibly could be. But I won't comment on those allegations press...

JOURNALIST:

It's a very serious allegation though, that Russia has intelligence Australia doesn't, does that concern you?

PRIME MINISTER:

I can assure you that the relationship between Australia and the United States in terms of intelligence sharing is as close as it possibly could be. And we have no concerns about any other country having access – having privileged access to information we don't have.

JOURNALIST:

PM can you divulge whether [inaudible].

PRIME MINISTER:

I can, again, I am not going to comment on that, but I don't think that has even been suggested in the media. But, look, I know it is – intelligence matters and spies are always of great interest.

In my youth, I spent a bit of time in a trial involving an old MI5 agent. But I have to say as Prime Minister, protecting our national security in the national interest. I have to be circumspect and discreet on matters of national security. It is my highest priority. My job is not to feed speculative commentary in the media. My job is to ensure that Australians are safe. No government has invested more in national security in peace time than mine.

You saw the announcement of our naval shipbuilding plan earlier in the week.

You have seen our commitment with the new Centre of Excellence to be built at the Western Sydney airport with Northrop Grumman, the big contractor who's expanding its Australian supply chain all the time. Our investment and support for the AFP, for ASIO, all of our intelligence and security services are at greater and greater heights all the time. Cybersecurity, a big issue over the last few days, you can see the priority and attention we give that.

So, my job as Prime Minister, and the Government's job, is to keep Australians safe. That means, sometimes, I will be more discreet than you would like me to be.

JOURNALIST:

What about laptop bans? You talked about the possibility of that? Is that because of IS?

PRIME MINISTER:

As you know, there have been some developments in terms of procedures the United States are taking. We have upgraded some of our security procedures out of some airports. We are constantly reviewing aviation security. It is a very dynamic area.

Again, the priority is to make sure that Australians and all of the travelling public are kept safe. We work very closely with our partners around the world in that respect. As and when any decisions to make changes regarding devices of one kind or another are made, they will be announced.

JOURNALIST:

Just on the laptop restrictions, did the US warn Australia, or did we receive intelligence from elsewhere?

PRIME MINISTER:

Again, I am not going to comment on sources of intelligence. But well done asking!

JOURNALIST:

John Zakhariiev in Bulgaria, have you been briefed about him. Is assistance being provided to him?

PRIME MINISTER:

Yes, the gentleman referred to that you've mention in Bulgaria is provided with consular support in the usual way. As all Australians are when they find themselves in legal difficulties, but again, I don't want to comment on that case or any other particular case. Again, I stress, as I always do, that when Australians are overseas, they must obey the laws of the country they are in. There is a limit to what we can do. We can provide some consular assistance but the law is the law and it is up to the legal system of the country you are visiting. So it is not something that we can change from here.

JOURNALIST:

In terms of Cross River Rail, is it fair to say the earliest you'd be able to get funding is 2019 and the states will be able to apply for the national rail fund?

PRIME MINISTER:

Well, the states are able to apply and discuss these matters with us right now. Paul Fletcher, the Minister for Urban Infrastructure has been having extensive discussions with the Queensland government, and indeed the Brisbane city government. I have had discussions with the Queensland government and the city government.

We are certainly looking at Cross River Rail very carefully. In fact, we provided \$10 million to the State Government to enable them to do a proper business case, a business plan for Cross River Rail, particularly examining how it can operate, interact with the transport solution proposed by the Lord Mayor. It is very important that these projects are properly planned. There it is an enormous opportunity to make the government dollars work harder and achieve more. But to do that, you've got to plan it right, you have got to make sure that whenever possible you can capture some of the increase in land value occasioned by the construction of the new transport infrastructure. We have got to have a much more sophisticated and more of an investment approach to infrastructure in Australia. That's one of the big changes I have made as Prime Minister. We have got to make those scarce government dollars, and they are scarce, you have seen the challenges we face with our budget, we have got to make sure those dollars go further.

So yes, we're looking at it very closely.

JOURNALIST:

So the state says you have the business case. Is it fair to say you're not convinced this project stacks up?

PRIME MINISTER:

It is yet to be finalised. We do not have, there is not a final completed business case. There is a proposal.

(Phone rings)

I think that's me. There you go, it's off. Sorry about that. But I can say that state governments have tended to treat the Commonwealth government as an ATM; just a dispenser of cash. That is not the way it is working anymore. Obviously, we will continue to make grants but on big projects we expect to be more involved. Where we can make an investment, we will. I think we need to get better value out of our infrastructure investment than we have in the past. So you can see we are making direct investments.

For example, the Western Sydney airport is a good example, where we'll build the airport, a piece of infrastructure that has been talked about as long ago

as Federation, I understand, well over a century. The Inland Rail between Melbourne and Brisbane will make a big difference, a very big, positive difference to the Queensland economy.

Imagine the significance of that; a new transport route linking Melbourne and Brisbane, coming through the Great Dividing Range, this is a big, huge project. We are committing \$8 billion to build that. What we need to be doing is investing more and treating these taxpayer dollars with more respect, so that we get the maximum output from it, rather than just treating the Commonwealth government like a cash dispenser machine. Which I regret to say, is how state governments have often described us.

JOURNALIST:

How would you describe your relationship with Anastacia Palaszczuk? The last we spoke to her about that, she said it was at an all-time low?

PRIME MINISTER:

I was a bit nonplussed by those remarks, because all of my interaction with her has been perfectly courteous. Both before she made those remarks and subsequently. So really she's ... I was surprised, surprised by those comments that she made.

JOURNALIST:

Prime Minister, figures released just today are set to show wage growth is at a record low, how confident then are you about those figures going up and [inaudible] help the budget return to surplus.

PRIME MINISTER:

Well, the budget returning to surplus is a key objective as you know. We have taken some tough decisions, including raising new taxes to ensure it does. But equally and more importantly, we want to make sure that more Australians are employed and more Australians are earning better wages, so that wages are going up.

So, that is why our budget and our policies are all focussed to encourage businesses. You see Elena here and a number of the other employees we have spoken to this morning with Ross. They are going [inaudible]. They're investing and taking advantage of the incentives we provided both by reducing company tax and by the incentives for the instant asset write-off, research and development incentives right across the board. Everything we are doing is designed to encourage great businesses like these to invest more and employ more.

Now, the benefit of reducing company tax, the overwhelming bulk of that flows to workers. It will add, over time, \$750 a year – it's been estimated – to the wage package of the average Australian worker, our company tax plan. That's why governments around the world are doing it. France is just a good example, the new President-elect with a two-thirds majority and his commitment is to bring France's company tax down to 25%. France has had a

tradition of being a very high-tax country compared to many others. But they recognise, just like the British recognise, the Americans recognise, that you have got to ensure that businesses have greater incentive to invest. Because if they do invest more they employ more and then workers benefits.

JOURNALIST:

The big four banks are asking for an expansion of the levy to foreign banks. Is that something you'd consider?

PRIME MINISTER:

No, what we are doing is delivering on the commitment we made in the Budget. So, I can understand why the big banks would want to delay that or resist it. But we need to proceed with this. It is vitally important to return the budget to balance. It is a fair commitment that we are asking the banks to make. It is consistent with levies in other jurisdictions, including in the United Kingdom.

You saw the CEO of one of the British banks making the observation just in the press today, that he thought it was a perfectly fair levy, given the immense support, extremely valuable support, that the big banks get from the Australian government and our very stable financial system, which prevails here in Australia. It is a very big finance advantage they have. What we are asking is they make a contribution. It is a fair contribution, recognised by the Australian people as fair. We look forward to that legislation being passed in the form it was presented in the budget as soon as possible.

JOURNALIST:

[Inaudible] the levy and fees being passed on to consumers. Are you confident that you or even us, will know if it is happened or not?

PRIME MINISTER:

We will certainly know what the banks do because they will have to declare what changes they are making, if any. The ACCC is monitoring their conduct very carefully. They are certainly able to absorb this levy themselves.

Again, I would refer you to what Mr Duffy, the new head of the Clydesdale Bank in in the UK, he used to work for the NAB of course, observations he's made about the British experience. So this is a very conventional approach, this has been gone about, designed in a very conventional manner and the banks are well able to absorb it. But if they seek to jack up interest rates or charges on the basis of this, the ACCC will be watching them very carefully. Yes, it's six basis points, 0.06% on their liabilities. That is much less, for example, than a 25 basis point increase in interest rates, which you often see from time to time, 25 basis point movement. So they are well able to afford this. It is \$1.5 billion a year, against \$33 billion of after tax profits. The big Australian banks are the most profitable banks in the world, in the world. With a very high return on equity. They are certainly well able to afford it, given the benefit that they receive from the government, from the taxpayer, from our financial system, which is recognised as having a huge

value. This is a reasonable request, requirement, I should say, to make of them in order to bring the budget back into balance, which we will do by 2020/21.

We are forecasting a return to surplus of \$7.4 billion. That is vital because as we have seen with the reminder with little Bella, the youngest member of Elena's family business, it's very important that we live within our means and don't throw a mountain of debt on to the shoulders of our children and grandchildren.

Thank you all very much.

[ENDS]

[Radio interview with Bianca, Terry & Bob 97.3FM Brisbane](#)

HOST:

Welcome to Brisbane, the Prime Minister of Australia, Malcolm Turnbull. Good morning Prime Minister.

PRIME MINISTER:

Good morning, how are you?

HOST:

Very intrigued to know –

HOST:

How do we know it's not an impersonator?

HOST:

It could be, is that really you?

HOST:

Is it really you, Malcolm?

PRIME MINISTER:

It is really me.

HOST:

Do you know Donald Trump?

(Laughter)

PRIME MINISTER:

I do, I do I met him in New York only the other day.

HOST:

Yeah we saw a few photos.

PRIME MINISTER:

It was a great meeting – beg your pardon?

HOST:

We saw a few photos.

PRIME MINISTER:

Yes. You know it was great to meet, Lucy and I were thrilled to meet President Trump and Melania, they were very, very welcoming and very warm. But it was amazing to meet some of the old veterans you know who had served in the Australian and US Navy's in the Battle of the Coral Sea 75 years ago. They were there in their early 90's.

HOST:

Wow.

PRIME MINISTER:

In this old World War II aircraft carrier, *the Intrepid* and they had turned the tide of war in the Pacific in 1942 when they were teenagers. So it was amazing.

HOST:

You're lucky that you get to meet those people.

HOST:

Travel is great yeah –

PRIME MINISTER:

I was very honoured, yeah. Very honoured.

HOST:

Travel's great but of course the highlight is a warm up to come and do a walk around Brisbane this morning. Now John Howard was famous for walking round in his Wallabies jersey, can't remember when he played for the Wallabies. Tony

Abbott doesn't mind a bike ride or a budgie smuggler in the water. Is there a legacy of your morning exercise routine that you're going to leave for us?

PRIME MINISTER:

Well, you know I normally walk along, through the gardens and across the bridge, across the river and then down through –

HOST:

Kangaroo Point?

PRIME MINISTER:

Through that beautiful sort of longer with bougainvillea on it.

HOST:

Oh the arbor.

PRIME MINISTER:

This morning I actually did some exercise in the hotel, so I didn't get out this morning. But look it's a beautiful, beautiful city to walk around along the river, along the south bank, it's fantastic.

HOST:

We love our Brisbane.

PRIME MINISTER:

It's really great, and it's getting better. It's getting I think, more pedestrian friendly all the time. More places to walk, so I'm a very big fan, as is Lucy.

HOST:

You should try the city cycles, that's a whole other story.

(Laughter)

PRIME MINISTER:

All the cycling, what – the sort of men-in-lycra, you think that's a good look?

HOST:

Yes, Abbott's done enough of showing off what that can do, so don't worry about it.

HOST:

In the next little while Prime Minister we're going to build a big casino

down complex along North Quay, are you good on the punt? Have you got a game? If I had to play a game of poker against you would I win, or would you take my money?

PRIME MINISTER:

I think you'd probably beat me. Look I must tell you, we're talking about walks. I must tell you a story about Wallaby jumpers.

HOST:

Okay yeah.

PRIME MINISTER:

Some time ago, not long after I'd become Prime Minister I was in Canberra and it was a cold morning. I got up – Lucy was there – and I pulled on a football jumper out of drawer in our bedroom.

HOST:

Yeah.

PRIME MINISTER:

And it actually was a Wallaby's jumper. And I was walking along and Daisy our daughter called us on Facetime. And so she was talking to Lucy and then Lucy turned the phone so she could see me. And there I was with my Wallaby jumper and Daisy said: "Oh my god. You are the Prime Minister".

(Laughter)

HOST:

That's what it takes.

(Laughter)

HOST:

Because you're in your Wallaby's jumper!

(Laughter)

PRIME MINISTER:

Walking around Lake Burley Griffin in a Wallaby's jumper so –

HOST:

I love that you're up to date and you're doing the whole Facetime thing. I think it's great. Listen Malcolm, we quite often do this. Oh do I call you Prime Minister? What do I call you?

PRIME MINISTER:

Malcolm is fine.

HOST:

Okay.

PRIME MINISTER:

Everyone else does.

HOST:

Oh, okay.

HOST:

The Honourable Malcolm.

HOST:

The honourable Prime Minister. We do this thing called a minute with Bianca and its rapid-fire questions and you just give rapid-fire answers. You just say the first thing that comes to your mind when I ask you a question.

VOICEOVER:

Bianca, Terry and Bob's minute with Malcolm.

HOST:

Are you ready to go Prime Minister?

PRIME MINISTER:

I'm ready.

HOST:

I still think it's an impersonator. Anyway let's go. Let's go. Okay Malcolm, let's start it.

Have you had your heart broken?

PRIME MINISTER:

Yes.

HOST:

Has Lucy ever had a spray tan?

PRIME MINISTER:

No.

HOST:

What's the first thing you do on your day off being Prime Minister?

PRIME MINISTER:

Sleep.

HOST:

(Laughter)

Glad you're not the only one. Are you on Instagram?

PRIME MINISTER:

Yes, I am.

HOST:

Oh! Okay, have you got as many followers as grumpy cat? Don't answer that. What's on your bucket list to do before you die?

PRIME MINISTER:

Just spend lots more time with my grandkids and Lucy.

HOST:

Do you ever feel like getting in your car-

PRIME MINISTER:

That's the main thing.

HOST:

Do you ever feel like getting in your car and just driving away?

(Laughter)

PRIME MINISTER:

Never. No, I love this job and I'm a very, very happy Prime Minister.

HOST:

Okay sunsets or sunrise?

PRIME MINISTER:

Sunrise I think, yeah sunrise.

HOST:

Do you ever Netflix and chill with Lucy?

PRIME MINISTER:

Yes, yes we do. Yep.

HOST:

Good to know.

HOST:

What do you watch? House of Cards?

(Laughter)

PRIME MINISTER:

We have watched House of Cards, actually we haven't watched much on Netflix lately, but we do watch things on Netflix. We've watched a bit on iTunes.

It's interesting isn't it the way that so much of the entertainment that you see on television nowadays is over the top – you know, I mean over the top as in over the internet.

HOST:

Yeah.

HOST:

Absolutely.

PRIME MINISTER:

iTunes or Netflix and other applications like that. Such a huge change in the television business.

HOST:

Oh no it's totally turned it upside down. Netflix and Stan and all of those. Tell us, one last question I'm going to sneak in. When you interviewed Donald Trump, the elephant in the room, did you stare at his hair?

(Laughter)

HOST:

Come on! Be honest!

PRIME MINISTER:

No, lots of eye contact. No hair contact.

HOST:

I'm so glad you did because I'd just be staring at that hair. It's got a mind of its own. What's the last thing you cooked?

PRIME MINISTER:

The last thing I cooked was some pasta on the weekend. It was just some spaghetti with, you know, tomato sauce.

HOST:

I love it. Malcolm does a spag bol.

PRIME MINISTER:

Yeah. Actually I love making passata, you know where you roast a whole tray of tomatoes and –

HOST:

Yum.

PRIME MINISTER:

With some garlic, if you like garlic, and some salt and olive oil and when they're all roasted, then put them through a mouli and mush them up. You have a beautiful tomato sauce. You can use some, and what we do it we use some and generally freeze some, do it in bulk. Freeze some and you can make a really lovely tasty pasta dish very quickly.

HOST:

I love that the Prime Minister food-preps for the rest of the week!

HOST:

Makes his own passata. Yeah.

(Laughter)

PRIME MINISTER:

I love passata, yeah it's great. Good for you too, all of those tomatoes.

HOST:

I should warn you Prime Minister, we have hung out with a Masterchef this week.

A couple of listener questions coming right here, just very quick ones. What colour are Bill Shorten's eyes.

PRIME MINISTER:

(Laughter)

I don't know. I don't know, you'd have to –

HOST:

Not paying attention.

PRIME MINISTER:

I'll endeavor to peer, to look into them, next time I see him.

HOST:

Gaze lovingly.

HOST:

Apparently – we tried to Google it – apparently blue and piercing as it turns out.

This is actually quite a serious one; at the moment there is a lot of stuff about the girl they're calling Cocaine Cassie in Columbia. But it's about when young people get into trouble overseas. You've got Schapelle Corby coming back. How much can you actually do? At which point do you pick up the phone and talk to another country.

PRIME MINISTER:

Well the answer is the first thing is, when you're overseas, obey the laws of the country you're in., I'll say that again. When you're overseas, obey the laws of the country you're in. You know, they're often very different to Australia and often much harsher than Australia, particularly with respect to drugs. So that is the absolutely vital message.

Secondly, take advice from the Department of Foreign Affairs and Trade website, the Smartraveller website. Always make sure you're up to date on that. They go to a lot of trouble to provide updated advice on security and other matters.

Now as to what we do. Well, we provide consular assistance, but if people break the law in other countries, they will face the legal process there. Just like foreigners who break the law in Australia, face legal process here. Do we contact other Governments? Yes we do. Our consular officials do that and we, you know, we've often made representations, particularly when Australians are subject to sentenced to or threatened with a death penalty. You know, there have been a number of cases of that. But the fundamental message guys –

HOST:

Don't stuff up in the first place.

PRIME MINISTER:

Yeah, if you're going overseas, respect the laws of the country you're in. Recognise that they are, you know, it's not Australia. When you leave Australia, you're under the jurisdiction of another country.

HOST:

Thank you for giving us that very long answer.

(Laughter)

PRIME MINISTER:

I'm sorry about that!

HOST:

No! But you're the Prime Minister, that's your job.

PRIME MINISTER:

But it's an important point and a lot of people forget it and overlook it and get into a lot of trouble. You know we do everything we can to help them, but you know, if you break the law somewhere else, you're subject to the laws of that other place.

HOST:

Alright let's ask a really serious question. Will you still be in town for Paniyiri?

(Laughter)

HOST:

It's this weekend, it's the big Greek festival.

PRIME MINISTER:

No I won't, I'm in Queensland all week, for the rest of the week here. I'm here in Brisbane today, I'm going up to Rockhampton tomorrow and then to Emerald. But I'll be back in New South Wales by the weekend.

HOST:

You're so busy.

HOST:

Never mind, never mind.

HOST:

Such a busy life.

HOST:

That means Bianca will have to Zorba dance by herself Prime Minister, she was going to hit you up but you got out of town in time.

PRIME MINISTER:

I'm sure I would only cramp your style, Bianca. You're better off Zorba dancing by yourself.

HOST:

I think you're a very cool Prime Minister Malcolm Turnbull. Thank you so much for your time, thanks for chatting with us exclusively this morning. It's been lovely, thanks for having fun with us.

PRIME MINISTER:

Okay, it's great to be with you.

[ENDS]