

**THE HON RICHARD MARLES MP  
SHADOW MINISTER FOR DEFENCE  
MEMBER FOR CORIO**

**E&OE TRANSCRIPT  
PYNE & MARLES  
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**SUBJECTS:** *AOC; Australian gas market; Budget; visit US Vice President Pence; Anzac Day; Soldier On*

**CHRISTOPHER PYNE:** Well, welcome to *Pyne & Marles* here on Sky News Live. It's 1:00 o'clock Eastern Standard Time on April 28th. I'm Christopher Pyne and I'm in Adelaide, and my comrade in arms is Richard Marles and he's in Geelong today. Welcome, Richard.

**RICHARD MARLES:** Well, great to be here Christopher. I think the first time you've called me your comrade - I suspect the first time you've alluded to anyone as a comrade.

**CHRISTOPHER PYNE:** We 'small l' liberals call each other comrades every now and then.

**RICHARD MARLES:** Well, that is truly bizarre, but speaking of colleagues and political fights, I read - I don't know whether you've been following this - it is a fight of gargantuan proportions outside of the political sphere and that's the one going on between John Coates and Danni Roche for the AOC. We thought we played it rough, but have you taken a look at what these two are up to?

**CHRISTOPHER PYNE:** Well Richard, you know it strikes me as a political insider of now, you know, a couple of decades standing, that the politicians kind of know what the boundaries are in political balance, and when non-politicians are engaged like these two are in a dingdong battle that the boundaries get seriously blurred, because I haven't seen such an eye-gouging, earlobe-biting, tooth-and-claw battle for something like this one for a very long time, and I hope that they can resolve it and then all work together - but it's pretty bloody ugly, isn't it?

**RICHARD MARLES:** It is. It is pretty amazing and I don't think we'll be seeing the *Coates and Roche* show any time soon on Sky News.

Anyway, we should we should get on with the day. This week we've had the Prime Minister making an announcement in relation to gas, a policy announcement in

relation to gas, which has been a very big topic of discussion over the last few weeks. We're going to have a chat about that.

The Treasurer was out this week, also, talking about the upcoming budget, which is going to be handed down on Tuesday week, and on Friday and Saturday just gone we had the American Vice President in town, which was a pretty significant visit. We'll have a conversation about that.

John Bale, who is the CEO of the Soldier On is our guest today, and we'll be talking to John about veterans in our community, and also of course the many events having had Anzac Day occur during the week.

But our first topic for discussion today is in relation to gas, and this has really been a very significant debate over the last few weeks. The Prime Minister and his ministers made a policy announcement in relation to gas yesterday. Take a look at this.

**MALCOLM TURNBULL (CLIP):** All of those jobs are at risk, would be at risk, if we were not taking the action today.

**BILL SHORTEN (CLIP):** This is a crisis. How on earth has it taken this long for Turnbull to wake up?

**MALCOLM TURNBULL (CLIP):** The export price would be less than half \$20. Now, this is not saying that all gas prices will be halved as a result.

**NEIL MITCHELL (CLIP):** You're talking about the wholesale price coming down by 50 percent. Do you stand by that?

**MALCOLM TURNBULL (CLIP):** Hang on, hang on. Let me just be clear about this: that is actually not what I said.

**RICHARD MARLES:** So we've got a crisis right now, Christopher - not in a few months' time, not next year, but right now and that's around the supply or having enough supply of gas into the domestic market. The critical issue is that right now you can purchase Australian gas in Japan for something like \$10 a gigajoule, and yet if you were industry in this country you're being quoted prices of \$20 and more.

The undertaking or the assurance that we seem to get from the Prime Minister, from the Government, in the last 24 hours has been that prices would halve, and yet almost on making that announcement we've now seen the Prime Minister crab walk away from this. Is there an assurance that companies in Australia are going to be able to purchase gas for the same price as Australian gas is being purchased overseas?

**CHRISTOPHER PYNE:** Well, Richard, what I found amusing about this debate this morning and yesterday is Bill Shorten trying to pretend he know something about the gas market. He obviously is not an expert on the gas market and he's demonstrated that to everybody, because what the Government has announced is an Australian domestic gas security mechanism which will mean that the gas companies will have to guarantee supplies here in Australia before they are allowed to export overseas.

That will bring down the price, the wholesale price, of gas in Australia, and of course the bills of consumers are about 15 to 20 percent made up of the cost of wholesale gas. There are a whole lot of other costs that go into those bills. So, of course it'll put downward pressure on gas prices. It has to put downward pressure on gas prices.

The Prime Minister never said that the gas prices for consumers would be halved, and Bill Shorten trying to say so is just misrepresenting him. But I would have thought Labor would have welcomed this announcement, because Labor was saying we should do something similar not that long ago.

**RICHARD MARLES:** But the issue here for consumers is one thing, industry is another. If you're industry in Japan you can buy Australian gas right now for something like \$10 a gigajoule. The question here is whether or not Australian industry is going to be able to access Australian gas for the same prices as it's being accessed overseas.

You know, I don't think it is as clear in terms of how you've described it, that you've got Santos which is not a net contributor to the Australian gas market. The real question is, is the government going to step in and require them to be that?

**CHRISTOPHER PYNE:** Well, we are taking decisive action and it's time you told your Victorian Government in Victoria to stop the gas reservations that are helping push up the prices of gas around this country - but we're out of time.

We're now going to move on to the Budget. Obviously, in a couple of weeks, in fact less than a couple of weeks, Scott Morrison will hand down the Government's Budget. It's Derby Day in Canberra on budget day. It's always a great day for politics and for economists and for the industry around the country to see how the government's going to spend the taxpayers' dollars over the course of the next 12 months. Let's take a look at this clip.

**MALCOLM TUNRBULL (CLIP):** Debt has an important role to play but we should not be living beyond our means.

**SCOTT MORRISON (CLIP):** The way we've done budgets in the past at the Commonwealth level does not currently make the distinction properly enough between good and bad debt.

**MALCOLM TUNRBULL (CLIP):** There's a difference between running up debt because you, you know, you can't manage your household expenses or you spend too much on a holiday and borrowing money to buy a house or an investment or whatever.

**BILL SHORTEN (CLIP):** It's tantamount to an admission of failure. They say that they can't get on top of the debt, so now they're going to redefine the debt.

**CHRISTOPHER PYNE:** Well, Richard, in the old days back in Great Britain in the Westminster system, on budget day the Tories used to wear top hats and the Labour Party used to wear coal miners outfits, and I don't think we quite go to that extent

anymore in Australia and that's a good thing, but it certainly is the most important day on the calendar of political events from the Australian Government's point of view. It's the government's chance to outline for the next 12 months our program, how we're going to spend money, how we're going to raise money, the impact that this will have on jobs and growth, and from our point of view bringing down debt, bringing down deficit, which of course we were left by the Labor Party when you were last in office.

I think you can expect to see some really interesting proposals around infrastructure, around creating jobs and growth, and this is in stark contrast, of course, if Labor been re-elected because you were going to add \$16.5 billion to the bottom line of the Budget with your election promises alone.

**RICHARD MARLES:** Well, Christopher, this is breathtaking, really, when you think about just a couple of years ago you were talking about budget emergencies when debt was nowhere near what it is now. Malcolm Turnbull and all of you were saddling yourselves up to the debt track, and now your answer to debt is not to actually reduce it but just to rename it, re-label it, In fact, seems to me the centrepiece of this budget isn't going to actually be any work, in terms of dealing with the fiscal situation, it's just an accounting procedure which will record debt on a different page than what it is now. I mean, it is truly bizarre, and at the end of the day you are, as a government, have added \$100 billion to net debt. You've tripled the deficit, and you are giving up by what you're saying here, and if the best you can do is re-label debt, what is that in terms of a budget?

**CHRISTOPHER PYNE:** Well Richard, I think your hypocrisy is quite breathtaking, as the political party that took a \$22 billion surplus in the budget and money in the bank and absolutely no government debt and left us with an incredible legacy of debt and deficit and not much else to show for it.

Quite frankly we don't want to put a hand brake on the economy. We do want to bring down debt and we do want to bring down deficit, and that's exactly what we're doing, and you'll see that path in the budget, achieving a surplus in the forward estimates. But we can't let it rip like Labor always wants to. That's always been your proposals.

**RICHARD MARLES:** Well, there was a global economic crisis there along the way, and we are one of two economies in the Western world that got through it-

**CHRISTOPHER PYNE:** -Oh, excuses, excuses.

**RICHARD MARLES:** -got through it without going into a recession, so I think there is something to say-

**CHRISTOPHER PYNE:** -Can't go back to that old chestnut

**RICHARD MARLES:** Well, it did happen. We do need to move on.

On Friday and through last weekend we had the Vice President of the United States visit Australia. I had the opportunity to meet the Vice President with Bill Shorten and

Tanya Plibersek and Penny Wong on Saturday afternoon, as of course the Prime Minister had the main bilateral with the Vice President.

You know, Christopher, there's a lot that's said and has been said around Donald Trump. He obviously does politics differently. There's been a lot of questions asked about how will the alliance work under Donald Trump. I think it is important we don't overreact to that and it's important that we take things as we find them, and, frankly, to have a visit of this level, from the Vice President, so early on in the administration, saying all the things you'd want to hear him say about the US commitment to the alliance and the US commitment to a presence in East Asia, I actually thought was very encouraging.

**CHRISTOPHER PYNE:** Yeah, what it shows, Richard, is that the United States administration is taking its alliances and its partnerships in the Asia Pacific region terribly seriously. Vice President Pence went through North Asia, throughout Southeast Asia to Australia to reassure us all I think that the Obama pivot to Asia is still very much alive in the administration's minds.

Unfortunately our part of the world in North Asia is one of the most serious and dangerous parts of the world right now, as I'm sure you would agree and recognize, and the role of the United States is absolutely critical, and Vice President Pence's visit underlined how important the Australian alliance is in the US role as a global policeman in many respects. Of course, so is China's role and what they do with North Korea, so it's a very significant time in world affairs. Julie Bishop is putting her best foot forward on behalf of the government. I must say that I'm pleased to say that Bill Shorten and yourself and Penny Wong have all been incredibly sensible about these, this area which should be bipartisan.

**RICHARD MARLES:** Yeah, I think you're right in your observations about North Korea. It certainly is a very worrying prospect, the idea that this particular regime would be seeking to weaponize an intercontinental ballistic missile with a nuclear warhead and trying to develop that capability.

I think what is encouraging is that you're seeing America trying to engage China in dealing with the issue, and to be fair to China I think the initial signs from China have been positive in relation to that as well. There does feel like there is a change in attitude from China in respect of North Korea, and I think America is presenting a harder edge in relation to North Korea, and that's a good thing, too.

**CHRISTOPHER PYNE:** China is definitely showing concern about North Korea and they have the greatest power of course over that peninsula. They are one of the major energy suppliers, of course, to North Korea. And now it's been a very significant time for the government to start the big military build-up that we announced a couple of years ago in the Defence White Paper.

**RICHARD MARLES:** Issues with the alliance will continue in the coming week, as the Prime Minister meets Donald Trump in person for the first time in New York - but we need to go to a break. Join us afterwards when we will be talking to the CEO of Soldier On, John Bale.

[AD BREAK]

**CHRISTOPHER PYNE:** Welcome back to *Pyne & Marles* here on Sky News Live on Friday April 28th. Our guest today is John Bale from Solider On. Solider On is an organisation that supports returned servicemen into work, into family life. It's a very important charity and given that this is the week we've had Anzac Day Richard and I thought it would be a good opportunity to talk to John about his work. Welcome to the show, John.

The question that I wanted to ask you about was, I've been in Parliament now for over two decades and when I first started going to Anzac Day services there would be 60 or 70 returned servicemen and their wives present at the memorial services, at the dawn services, now you can't go to a dawn service without it being thousands of people, certainly hundreds of people. Why has Anzac Day changed so much over the last couple of decades to be so embraced by the Australian public, particularly young people?

**JOHN BALE:** Well, thanks so much Christopher and Richard for having me on the show. I think that Anzac Day has really struck a chord with the Australian people and the recognition on the sacrifices, especially that have lead up over the last couple of years towards the centenary of Anzac.

I also think that schools have been really teaching some of the values that the veterans of the Anzac period and all of those who've worn the uniform espouse so that generation that is now, I guess, in their 30s and going on has really been brought up recognising how much our men and women have done for us as a country. And it's great to see, especially the Anzac Day just gone, that younger veterans are really becoming a part of that narrative as well. Curtis McGrath gave an exceptional speech this Anzac Day here at the Australian War Memorial. Obviously he's been through his own journey having lost his legs in an IED attack in Afghanistan, but just to be able to talk about what he went through I think the conversation is really changing and we as a country are embracing those who've done so much for us.

**RICHARD MARLES:** So, John it feels to me there's a couple of things going on here, both of which it strikes me are good. I've heard this debate put forward that at one level Anzac Day is, of course, is the veterans day and it commemorates the sacrifice of those who wear our uniform. In another way it's also becoming a kind of a sovereignty day, we are celebrating the Australian nation and it's much bigger than just veterans and the veterans' community. From a veterans' perspective is that welcome, is that seen as a good thing, is the meaning of Anzac Day being maintained in all of this?

**JOHN BALE:** I think it's something we need to approach with caution, one of the things that Brendon Nelson said at the end of the War Memorial's day yesterday, sorry not yesterday, Anzac Day, was that there weren't as many younger veterans who were actually marching on Anzac Day. Most were there for the dawn service but they weren't engaged as much in the march itself. Now we run coffee catch ups at Solider On in most of our centres around the country on Anzac Day and a lot of veterans want to be with other veterans on that day, talk about what they've been

through together, laugh at the funny stuff that they've been through but also commemorate those that aren't with them anymore or those that have been impacted by their service. As a country we need to make sure that day ultimately is about the men and women that serve and make sure this new generation, my generation of veterans that are coming though, make sure that we recognise what they want out of the day, because at the end of the day it is a national day of commemoration for those who have served so we need to make sure that their voice is absolutely heard.

**CHRISTOPHER PYNE:** Well John I couldn't agree with you more and I think one of the way to commemorate is more than simply going back in time and looking at the values of those who've served. And my family have served in both Korea and the first world war. And one of the ways to commemorate it of course is to look after our return serviceman, I don't think people realise that 72,000 Australians have served in the Defence Forces overseas since 1990 and there's a lot of people who need to be looked after and cared for and that's obviously what Solider On is trying to do and are we getting that part right, and how do we compare internationally in terms of looking after our return servicemen and women?

**JOHN BALE:** Look it's absolutely critical that we do that and the point that I've been making, Solider On has been making since we started is that that's just not government's responsibility, although it's a key component of what government should do and does in most instances. It's absolutely critical that the community is core to that and that's something – that's the reason we started Solider On because we believe there were some great organisations out there but there was still a bit of a gap in connecting the community to those men and women that needed to transition back into our society. And at the end of the day it's the society that will ultimately support them into employment, making sure they have strong social networks and giving their families who have been through so much often, moving around this country, supporting the man or woman who has deployed overseas and served often now for I think the average is around 7 and a half years, making sure we support them as a community and if we don't do that then critically we're missing that.

As a country we actually do that pretty well although we could do better I think on the community angle, we've got to recognise that the community groups that have been set up like Solider On and Mates for Mates and those older ones like RSL and Legacy, all who do excellent work, that's really the other 364 days of the year, the community's way of recognising that they support those who fight in the tradition of the ANZACs and that's something that is so pleasing to see that we've now just passed our fifth birthday. We wouldn't exist if the community didn't care and it's wonderful that we're now providing not just support but actual services that are helping these men and women transition back into our society.

**RICHARD MARLES:** I think, John, the point you make about the community connection is exactly right. I mean, obviously, those who returned from Vietnam, came back to Australia, there wasn't a great reaction, and at the other end of the scale when you see the way in which servicemen and women are acknowledged in the US. It is pretty amazing. Over the five years of the existence of Solider On, do you think things are getting better? Is the trajectory going in the right direction?

**JOHN BALE:** Absolutely, I think people are starting to recognise that a younger veteran wearing their medals on ANZAC Day doesn't then get asked if those medals are their grandparents', especially if they're a female veteran and the ADF has done an exceptional campaign recently about making sure that we recognise that veterans these days are men and women. So absolutely and one of the things that we've done and we're working with the Department of Veterans' Affairs and lots of other organisations is starting to get into schools now and make sure that schools understand that a veteran is not someone necessarily just from World War 1 or 2, or even now from Vietnam and Korea and Malaysia but also those 72,000 men and women who Christopher just mentioned who have come back. That's an ongoing conversation but we wouldn't exist if the community didn't care and it really is wanting, it's a search I think for what our men and women have recently done and I don't think we told that story as well as we could have while we were actually over in those war zones, in fact we are still over there and I think we're getting that better now. And we're also getting better at understanding that we as a country, every time we send these men and women away we have a responsibility, a duty if you will to make sure that we support them, and government as I said is doing a good job in that regard and could always do better, so could we as a community.

**RICHARD MARLES:** Well John congratulations on all you do at Solider On, it's been fantastic having you on the program today and the work that you do is absolutely sensational so thanks for being with us.

**JOHN BALE:** Thanks, Richard. Thanks so much, Christopher

**CHRISTOPHER PYNE:** Thanks, John.

**RICHARD MARLES:** And that brings us to the question of the week, which this week, bearing in mind there's been a little bit of travel going on and of course the Prime Minister's in the US next week: 'can you represent Australia's interests over the phone or do you still need to travel?' So, Christopher, whenever politicians travel, the 'J' word, the junket word is used. Tell me, you've done a bit of travel in recent times: how much sightseeing have you been doing on the trips that you've been undertaking on behalf of our country?

**CHRISTOPHER PYNE:** Well, I can tell you Richard, I know we're running out of time, but I've recently been to France, to London, to Abu Dhabi, Riyadh, Washington, and Ottawa, in fact, selling Australian defence products overseas, talking to them about our defence industry and exports and our military relationships.

I can tell you I haven't visited one shrine, museum or art gallery in all of that time. It's all work, but still it's the old fashioned way. You can talk to someone on the phone, you can email them, you can even talk to them on a teleconference but you still need to eyeball people if you're going to seal the deal and have a proper relationship person-to-person.

**RICHARD MARLES:** Look, that's absolutely right, and I did a lot of travel in the lead up to Australia being elected onto the UN Security Council and personal rapport was at the heart of winning those votes, and you absolutely needed to be with people and there wasn't much sightseeing going on during those visits as well. Anyway it's been

great talking to you again today Christopher, I look forward to doing so again next Friday.

**CHRISTOPHER PYNE:** Indeed.

**RICHARD MARLES:** And look forward to you viewers joining us again on *Pyne & Marles* on Sky News. We'll see you then.