



**THE HON RICHARD MARLES MP  
SHADOW MINISTER FOR DEFENCE  
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**E&OE TRANSCRIPT  
TELEVISION INTERVIEW  
SKY NEWS – PYNE AND MARLES  
FRIDAY 9 FEBRUARY 2018**

***SUBJECT/S: Citizenship, Royal Commission into institutional Responses into Child Sexual Abuse, Company Tax, Defence, Defence Industry.***

**CHRISTOPHER PYNE:** Well good afternoon and welcome to Pyne and Marles here on Sky News Live, it's Friday the 9<sup>th</sup> of February 2018, I'm Christopher Pyne here in Canberra, Richard Marles is in Sydney. This is beginning of our fourth season Richard and they said we'd never make it.

**RICHARD MARLES:** They said we'd never make it indeed and I don't know about you Christopher, but many on our side didn't think we'd make it to four weeks so here we are in our fourth season after a summer break. So did you get time away, spend time with the family.

**PYNE:** Yeah I did actually, we had a really good break down at the beach and they had even longer. I must admit 2017 was a pretty gruelling year especially the last six months. We've had a decent break and we're back full of vim and vigour. I assume you also had a break?.

**MARLES:** I did and so I spent the break at home in Geelong which is near the Surfcoast so there was a lot of time down at the beach. I think I saw on Instagram over the break, you building a very nice sand castle, but we spent time with the family. We got into the Big Bash this year and went to a couple of games. Of course your Adelaide Strikers ended up winning it.

**PYNE:** Yes I do, I love the Big Bash, I used to go with my children quite a lot. We were away most of the summer. I did build a magnificent sand castle modelled on the Schonbrunn Palace in Vienna. Because the year before I built a sand castle which was mocked on social media but more to that later. Did you like the promo they produced for us on Sky News Live?

**MARLES:** I did and of course its fun making a promo with you and anyone who is worried that they might be mocked because they've done a sand castle based on the Schonbrunn Palace is going to be entertaining and you've certainly been that as we've done this show. We should probably get into the substance of it. It's been a

big first week back in Parliament. Citizenship which is how we ended last year and has again dominated this week and we saw the writs issued as a result for this issue of the Batman by-election and Susan Lamb gave a very moving speech in parliament, so we're going to be talking about the citizenship issue. The government's tax package passed the House of Representatives so we'll be talking about that as well. Yesterday there was the response, the initial response to the Royal Commission into Institutional Responses to Child Sex Abuse. A very significant Royal Commission indeed and we'll be having a chat about that.

Our guest is Marcus Wallenberg, one of Europe's most important business leaders. His family is involved with such brands as Saab, Eriksson, Astrazenica and we're going to have a chat to him about defence industry, business and technology in general. But first citizenship and it has again dominated the parliament. As I said the writs were issued for Batman during the week, take a look at this.

## **CLIP**

**MARLES:** So Christopher I don't know about you, I am very much sick of this issue and I think the whole country wants us to move on from it. I mean our solution to this has been to have a joint referral in respect of anyone who has an issue. It doesn't look as though you're going to take that up but I think the question now is you've been threatening to refer Susan Lamb and others by using your numbers in the House of Representatives to the High Court, you know as I said to my two year who is now an eight year old, I think we're at the point where it's time to piss or get off the pot and so are you going to actually refer Susan Lamb?

**PYNE:** Nice. That's the kind of language we don't approve of here on Sky News Live. But we'll let you go on this occasion. Well this story has had more twists and turns than a Hitchcock Plot and the reality is all the problems are now all on the Labor side of the ledger. We've dealt with us, we've had by-elections in New England and Bennelong, you haven't, Bill Shorten is manifestly failed to manage this process well for Labor. He was supremely arrogant. The Batman by-election of course is David Feeney's seat, it's a very safe Labor seat. It should be an easy Labor hold and yet Labor is looking at a very serious threat from The Greens. In terms of Susan Lamb well it was a very sad story of course that she told the parliament of the day, we're all very empathetic. What it did confirm is that she is a UK citizen and therefore she should either be referred to the High Court, refer herself or resign from the parliament. Her story is very sad but it doesn't detract from the fact that she is still a UK citizen and she could have got a marriage certificate from Queensland's, Births, Deaths and Marriages. Before I let you have a go, the most amazing twist of the week was Jacqui Lambie insisting that the person who was elected in her vacancy resign and give her her seat back and when he said no she expelled him from the party. So I am not sure that's not a definition of cutting off your nose despite your face.

**MARLES:** Well that certainly was interesting and I have actually never seen it work that you just ask someone to resign from parliament and that's how you get a seat but look I think we all do want to move on from this issue and I didn't hear you indicate whether or not your actually going to do a referral or not. I mean our view very much is that the Australian public is sick of this and a joint referral is what would

work. If you're actually going to use your numbers to refer people to High Court when are you going to do it or you in fact trying to drag this out for political advantage. Is that now where we got to?

**PYNE :** Our preference Richard, is for Susan Lamb to refer herself or for Bill Shorten to agree that she be referred or for her to resign from the parliament like John Alexander did and honestly the electorate are going to much prefer it if somebody takes their lumps and has the by-election, than they are if they keep dragging this out but we'd prefer it if Bill Shorten took the leadership but he isn't. So let's go on with the next subject which is tax cuts where yet again Bill Shorten is failing to show leadership and create jobs. Let's see how that panned out during the week.

## **CLIP**

**PYNE:** Richard when did Labor decide to abandon the party of Hawke and Keating which had economic credibility and embrace instead the party of Hugo Chavez and Che Guevara?

**MARLES:** Oh please, the first thing that Hawke and Keating did was act in a financially responsible manner so tax cuts that it put in place were actually funded. That's not what you have done here. This is \$65 billion worth of tax cuts to big business which are unfunded and if you want to look at it from that perspective when we went to the last election the most significant financial reform we were putting forward was in respect to negative gearing over the long term that was going to deliver a tens of billions of dollars boost to the bottom line of the Commonwealth Budget. This is a tens of billions of dollars hit on the Commonwealth Budget. Christopher there is no more acute expression of the priorities of a government of how they spend their money, you are cutting health, you are cutting education and whilst at the same time giving tax cuts to big business, it says everything about where you are at.

**PYNE :** Well that's mostly rubbish but I am not going to pick you up on every single point. The point I will pick you up on though is that when you were last in Government there is quote after quote, after quote, from Bill Shorten saying that company tax cuts drove high wages, growth and jobs in the economy and this week you guys voted against all of those things and Emma Husar, the Member for Lindsay, described talking about jobs as boring. I thought, Labor thought that jobs were important to working people.

**MARLES:** Well look, you know we've opposed this because at it's most fundamental you haven't funded it. I mean what this is going to do is deliver a massive hit to the federal budget, I mean you've been talking about debt and deficit since coming to power in 2013 the reality is it's your government which has driven it up and this is only going to make it worse. When we've done tax cuts in the past, including company tax cuts, as Labor governments, we funded them and that is the big difference between what's been talked about now and what's happened in the past and at the same time you are cutting health and education and I can tell you that will always be a priority for Labor governments. But the third issue we're dealing with today is the response to the Royal Commission into Institutional Responses the Child Sex Abuse, this has been a very significant Royal Commission over the past

five years, it's finished its work, it's handed down its report and the Parliament dealt with it yesterday, take a look at this.

## **CLIP**

**MARLES:** I was with the Care Leavers of Australia Network, CLAN, of which I am a patron of, this morning out in Bankstown, there with Leonie Sheedy, who has been a tireless campaigner in respect of those who have been in institutions such as orphanages and the victims of child abuse. The Head of the Royal Commission, indeed all the Royal Commissioners, Peter McClelland was there and it just reminded me of how significant the work is that they have done, they have really peeled off, layer by layer and revealed a very ugly truth in our society and our nation an unsettling, a shocking truth, unsettling in the sense that it was happening all around us, but what they have done I think is so important in terms of allowing those who have been victims to move on and allowing our nation to move on and I'm sure you'll agree and that I should say that David Gillespie was representing the government at this event so this is very much a bipartisan affair and what we now need to see is that the program that has been laid out by the Royal Commission occurs and redress is very much a part of that and it's absolutely critical that we now get the States on board to a nationally consistent redress scheme.

**PYNE:** Well, Richard, you know one of the really tragic things about the findings of the Royal Commission was that (a) an issue that we thought was irregular, occurred in rare cases all of them tragic and we saw some media coverage of those over many years was actually very much part of the behaviour of many of the institutions in our country that we had great faith in, I think it's really shaken people's confidence in organisations as the Salvation Army, Jehovah's Witnesses, the various churches that have been through the Royal Commission which is a great stain sadly, on our community and our society it's critically important though now as you've pointed out that the States and Territories don't start to become mired in trying to push the financial compensation, the redress scheme, off to others, everyone needs to cooperate, no more excuses they just have to get on with it.

**MARLES:** I think that's right and as I think that both leaders said yesterday the time for Lawyers is over and it really is time that there is redress and compensation for the many many thousands who have been affected by this. It is time for a break, join us afterwards when we talk to Marcus Wallenberg.

**PYNE:** Well welcome back to Pyne and Marles here on Sky News live earlier Richard and I were joined by Marcus Wallenberg who's one of the heads of the Wallenberg business empire in Europe they have funds that they control across various companies worth \$250 billion euro dollars. They might not be the richest family in Europe but they're certainly one of the most eminent and longest serving, five generations and their business is covered things like AstraZeneca SAAB, Atlas Copco, Electrolux and Ericsson, so they have a very substantial stable of businesses in Australia at the moment. Talk to us about defence industry, he joined us earlier, Let's take a look at the interview.

INTREVIEW BEGINS -

**PYNE:** Marcus thank you very much for joining us this afternoon, It's very good of you. As you know the government is embarked here in Australia on a very ambitious agenda growing our defense industry and our sovereign capability is something that you'll very well across, given that SAAB defence is one of the major parts of your family's financial interests. What would be your advice to us about things that we could do where we could get to the same kind of capabilities that Sweden has been exhibiting for quite a few decades.

**MARCUS WALLENBERG:** Well thank you for having me, I think that the Australian ambition and the Australian program in a time like you're building up your defence resources it is very important to try to build the industrial capacity as well. So I think it's a long term ambition and it's important to build that into an industry environment. If I should take it from my Swedish experience and the Swedish background that I have, I think in particular it's important to see that it's a bipartisan effort, with a long term view because as politics change and governments come and go it's important since these are very long programs the technical development part of building defence capacity is a very long term one. So it seems to me that you're taking the right approach where you've tried to focus on certain areas of specific natural interest.

**MARLES:** I think that point is exactly right I mean that the length of the projects that we're talking about which run over decades really does require bipartisanship and certainly there is that in Australia around the development of a defence industry. One of the things that interests me Marcus when I look at the portfolio of companies in your family interests is that what they have in common is that they're all high tech, brands like SAAB obviously but Ericsson, AstraZeneca how important in terms of manufacturing in a first world country like Sweden and I think in terms of Australia is it to be manufacturing at the high tech end of the spectrum.

**WALLENBERG:** Well I think it's very very important, I come from a small country of 10 million inhabitants and we have a number of companies who are working on a global scale and the only way to compete in this fast moving world is really by being very advanced on the technology side. And that requires research and development on part of the companies. It's also in our experience require cooperation in what we call a triple helix where government, academia and companies are working together on the research development side. That is really the only way to stay competitive to deliver cost efficient and really advanced product in a very quickly moving technology world where we're now seeing on the digital side on the other side, so I would say it's critical.

**PYNE:** And as you know Marcus the government is investing a lot of resources into doing exactly that for the reasons you've outlined. One of the other things that we want to do is try and get a lot more women into their defense industries. There's quite a huge gap between men and women in terms of the numbers in Australia but that isn't the case in Sweden that it isn't the case in your defence business' at SAAB so what is the secret to encouraging women into many of these high tech engineering and mathematics roles.

**WALLENBERG:** Well we're still not 100% satisfied with that, we're working on it to get the numbers right. I think it's been it has to be at the end of the day a very distinct

effort on part of management into companies that you always try to bring up both women and men when you try to find the leadership positions of the company going forward. And we have found that there are a lot of very very gifted female engineers that have been doing a fantastic job in Seoul but also in other companies that we're involved with. So I think the experience has been tremendously positive because it brings a lot of different views into the agenda, the future agenda of the companies, so our experience has been positive in all respect.

**MARLES:** I think there's still a lot we can learn from you in that regard and I'd agree with Christopher's observations about industry here in Australia and we probably need to do better. I'd be interested to hear your views about leadership Marcus, you see a lot of companies within your portfolio. They've been very successful over the years and in your role being able to pick good leaders and identify the qualities of leadership is obviously very important. So what do you think is the secret to leadership and how do you pick leaders for your companies?

**WALLENBERG:** Well I wish I had an answer. I mean it's all about people isn't it, it's the most important thing that a company has. It's the colleagues and the people who are working there. I believe that is something that my family always thought a lot about because the people issue has always been very high up on the agenda that you have to try to find the right leader for the right position but also at the right time. Because companies go through cycles and sometimes you need a leader who is a turnaround specialist sometimes you need a leader who is really very very good at expanding the business and moving into new areas and so on and that shifts over time and that's why it's important to figure out what this particular leader can bring to the table for that particular company at a certain time. But you know it's about passion, it's about curiosity, it's about standing up and going through the good and the bad the fine and different challenges of the company might come through. But I agree with you, you hope that you have a good formula for it, we spend a lot of time just discussing the leadership issue in my family.

**PYNE:** And we're running out of time but one thing I would like to ask you towards the end is the fact that SAAB already has a good presence here in Australia, very active in South Australia in particular in the naval shipbuilding area the combat system area. Do you have big plans for SAAB expanding here as part of our military capability build up.

**WALLENBERG:** Well we would very much like to be part of that. We are absolutely ready to commit our resources to build up our presence here. As far as we are allowed and can bring value to the efforts of the government.

**MARLES:** Well thank you very much for joining us today. It's been an absolute treat to talk to you and hear your views about all those issues and we hope you enjoy the rest of your visit to Australia and we very much looking forward to staying in touch with you and with SAAB.

**WALLENBERG:** Thank you, thank you for having me.

**MARLES:** And that brings us to the question of the week, which this week is 'what is your favourite form of social media' now, as politicians we engage heavily nowadays

in social media Facebook, Twitter, Instagram. But Christopher, I saw the sand castle on Instagram, what is your favourite form of social media.

**PYNE:** Well I've rather taken to Instagram because it's I think it's a friendly happier place than the other forms of getting our message out. I think Twitter just has so many extremists from the far left and the far right spewing bile on Twitter that it's rather a kind of ruined platform in some respects. It still is a great source of news still, but there's so many downsides. Facebook is not quite so bad, at least you have to identify yourself on Facebook but Instagram is good because people say who they are, they seem happy to like each other's pictures. There isn't that sense of you know, politics the political edge to it and I get a few laughs on Instagram and I rather enjoy the interaction.

**MARLES:** Well so I mean I think the stats are that Facebook has the highest penetration. I completely agree with you about Twitter it is just so feel so loud and angry on Twitter that you're right it is a good source of news, but no one is having a lot of fun there at least as far as I see it and I probably agree with you in terms of Instagram as well it's certainly the one I like to engage with the most. My problem is in terms of getting a message out, it's basically my family and my dog who follow me so I'm not I don't know how you get Instagram followers, you've done pretty well at that. So what's the secret.

**PYNE:** I think that your photographs with great respect. Richard I'm not sure the pictures of the seed of a Sturt Desert Pea are going to get a lot of interest on Instagram.

**MARLES:** Well maybe that is right but they need to be taking more photos of myself or have more photos taken.

**PYNE:** More of you

**MARLES:** Anyway we've run out of time already to the great to talk to you again. Nice to be back and we will be joining all of you again next week on Sky News at 1 o'clock. Join us then for Pyne and Marles.

**ENDS**