



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

**E&OE TRANSCRIPT  
SKY NEWS LIVE  
PYNE & MARLES  
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**SUBJECTS: *Government Leadership Crisis; Jobs Figures; Closing the Gap; 10th Anniversary of Apology to Stolen Generation; American Gun Laws***

**CHRISTOPHER PYNE:** Good afternoon and welcome to *Pyne & Males* here on Sky News live. It's Friday the 16<sup>th</sup> of February, it's one o'clock, or just after one o'clock Eastern Standard Time. I'm here in Adelaide and my fellow announcer if you like is Richard Marles and I think he is in Melbourne today. Good afternoon, Richard.

**RICHARD MARLES:** Good afternoon Christopher, in Geelong, and look, there are days where it's easier to be a government minister and days where it's not so easy and I suspect for you today this is one of those where you don't necessarily want to be in front of the camera.

**PYNE:** Well Richard, you know they say a week in politics is a long time. Last Friday morning we were talking about Bill Shorten being on the skids and how he'd had a very bad start to the year, and the week alter we're talking instead about the current government. But I must admit, listening to that press conference with Tanya and Bill I had to suppress a laugh. This is a man who wouldn't get rid of Sam Dastyari until it was absolutely necessary for him to do so, hung on to David Feeney for as long as he possibly could, brought Kimberley Kitching into the Senate despite the fact that she'd been adversely referred to in a royal commission, and of course still has Susan Lamb sitting in the Parliament who has admitted to being a UK citizen, so taking lectures from Bill Shorten I must admit on when people should be sacked or not sacked I don't think he has any credibility on that subject.

**MARLES:** Well, look an admirable effort, Christopher, on what is obviously a difficult day, and don't worry we will get into the substance of all of this in a moment, but I did think it was interesting, I mean the media has been almost squealing with delight I think over the last 24 hours, but there was a moment of ironic clarity on the part of the media. Chris Kenny did a tweet yesterday and he said "fortunately no one in the media has had sex with their staff so this issue can be robustly reported with no hint of hypocrisy" and I thought there was some self-reflection I detected in the midst of that tweet, a point I think Tanya made in her press conference then in the way in which media reports these issues.

**PYNE:** But I think it's also fair to say that the Labor Party is played merry hell with the issue all week. I mean, it's one thing to say that the private lives of politicians should remain private, and then to take advantage of it every day in Parliament to try and push the issue along. So I think journalists have got to do what journalists do, politicians have got to defend their brand and also I think the Australian public expect us to get on with the job that matters to them which is jobs, growth, investment, hospitals education, these are really the key issues that matter. But let's get on with the subjects, I know the first one is Barnaby Joyce so why don't you introduce the rest of the show.

**MARLES:** Indeed, well they are the issues as you rightly say and you're obviously itching to get into it, so let's do that. It's been a remarkable week, it's been a remarkable 24 hours, in respect of Barnaby Joyce. We'll talk about that in a moment, but other news came out in the last couple of days so we're going to have a quick chat about them. Earlier in the week, it seems an age ago now, we commemorated the 10th anniversary of the national apology to the stolen generation, we'll talk about that and closing the gap. And with that in mind our guest today is Michael McCloud. Michael is an indigenous entrepreneur, an indigenous leader, was in Canberra on Tuesday and I think he was actually in Canberra on the day of the apology and is the co-founder of Message Stick, an indigenous company that has involved in telecommunications. We're going to talk to Michael about his thoughts on this and his experience in business.

But let's start with the issue of the moment: Barnaby Joyce. Take a look at this.

**MALCOLM TURNBULL [CLIP]:** Barnaby made a shocking error of judgement.

**BARNABY JOYCE [CLIP]:** I would like to say to Natalie how deeply sorry I am.

**TURNBULL [CLIP]:** Barnaby knows he made that shocking error of judgement.

**JOYCE [CLIP]:** To my girls, how deeply sorry I am.

**TURNBULL [CLIP]:** The Deputy Prime Minister will be taking leave

**JOYCE [CLIP]:** To Vicki Campion, how deeply sorry I am.

**TURNBULL [CLIP]:** Ministers, regardless of whether they are married or single must not engage in sexual relations with their staff.

**MARLES:** Okay Christopher, so I've got to tell you I need some help here. Last night we had the Prime Minister of Australia describe the Deputy Prime Minister as having had shocking judgement and today we've got the Deputy Prime Minister saying that the Prime Minister that he is inept. Now I reckon that since federation we've never had a serving Prime minister and Deputy Prime Minister speak about that way of each other. Correct me if I'm wrong, but almost by definition now this makes you the single most divided government in our nation's history. How on earth do we go on from here?

**PYNE:** Well coming from a party that gave us Julia Gillard, Kevin Rudd and Kevin Rudd again, led by the man who stabbed both of them in the back very publicly and very well known, Bill Shorten, I'm not sure that you have a lot of credibility when it

comes to dysfunction Richard. I think the real question that we need to get from Bill Shorten today is why won't he support a change to the Ministerial code to ensure that the modern practise of not having sex with your staff when you are in a different power relationship, boss to employee, why wouldn't he want to enshrine that in the Ministerial code of conduct and apply it to his own front bench, because the reality is that's how all workplaces around the country operate these days. Whether it's major law firms, whether it's the AFL, whatever it might be and yet Bill Shorten will not pledge to adopt the same standard, which is commonsense in the workforce.

**MARLES:** I don't reckon that's what Bill said at all actually, I think he made it clear that we weren't going to rush into Malcolm's hand written notes but the best practise in the Australia workplace should be exactly what applies to the Ministerial code of conduct and indeed the way in which Parliamentarians interact, and that's what I hear Tanya say and I've got no doubt that's where we'll go. But I actually don't reckon that's the big question, the big question here is you have a Prime Minister and a Deputy Prime Minister who have actually declared war on each other. One is saying the other's got shocking judgement, the other describing the first as being 'absolutely inept'. I don't understand how we move forward from here, I mean that's the kind of language you might expect to hear from an opposition of a government, but it's not the kind of language you would expect to hear of partners in a government and that's what the Coalition is. I mean these are the two leaders of the parties which form the Coalition, and I mean genuinely Christopher, what happens now given they've said this of each other, what happens now?

**PYNE:** Richard, I wouldn't thought that you wouldn't agree with that the Prime Minister said yesterday. I certainly do, I agree that it was very important for the women of Australia in particular, because our Parliament still has an overabundance of men in positions of power and not women, and the women who work for us in Parliament House, it was very important for them to know that we respect them, that the Prime Minister respects them and that we will continue to respect them in the workplace in particular.

**MARLES:** Of course.

**PYNE:** But we've been told to move on so we will move on. We'll move on now to the jobs figures, and this week we had more good news on the economic front, and let's have a look at how that panned out.

**MICHAELIA CASH [CLIP]:** We are delivering the policies that enable businesses to go out there, prospect, grow and at this point in time over the last 12 months create in excess of 1,100 jobs per day.

**BRENDAN O'CONNOR [CLIP]:** The full time jobs wherever possible because you cannot pay the mortgage with a part time jobs, we cannot look after your family with a casual jobs, you cannot make ends meet if you do not have sufficient outcomes of work.

**PYNE:** Well Richard yesterday was a more good news figures, the 16<sup>th</sup> consecutive month of jobs growth in Australia, the longest consecutive period of jobs growth since the statistics have been collected, and that just adds to the good news from last year, which was 403,000 new jobs, 80% of them were full time jobs, a quarter of them were in Queensland which is good news for Queensland because they've had

a struggling economy there for a little while. I mean these are the issues that really matter, this is what governments need to do, they need to create jobs, they need to invest in the economy, things like defence industry, infrastructure, that's the things that we're getting on with and I would've thought Labor would have agreed with that, and we should get on with those kinds of issues rather than the ones that have been dominating for the last four days.

**MARLES:** I completely agree with that Christopher, it's just that the people that have been dominating is the government itself. I mean I totally think these are the issues which people are interested in, but it's not us talking about each other and it's not us eating each other alive: it's the Government doing it to itself and the last 24 hours have seen that.

But look, in terms of the job figures, if you've received a job that's obviously good news, but I do think the picture here is a little more patchy than the one you've presented. I mean, in manufacturing the picture is not so rosy, and I've seen it here in my electorate, one of the biggest de-industrialisations that our country has witnessed, thousands of jobs have been lost in manufacturing, but even if you do have a job we've got record low wage growth in this country, it was a point that the Reserve Bank governor raised concerns about just this morning in front of the House of Representatives economics committee. In that situation you're doing it tough and your policy prescription is to reduce company tax, which is only going to put more money into the profit column, less money in the wages column, and that's going to drive up inequality.

**PYNE:** Even your own spokespeople from Bill Shorten, Julia Gillard, Chris Bowen, probably even yourself, when you were in government and you talked about company tax cuts, point out that company tax cuts meant higher wages, more jobs, more growth, more business. Now you can't just suddenly change on a dime and pretend that you didn't say those things. And we have a lot more suite of policies than simply company tax cuts. But I'd like to know from you how you think \$165 billion of more tax burden on Australian business and consumers is going to suddenly be better for the economy because that's your policy, \$165 billion of taxes.

**MARLES:** No, let's be clear, it is about absolutely funding what you planned for the budget, and you're the ones who talk about debt and deficit-

**PYNE:** -That'd be a nice change from Labor

**MARLES:** That's right, and debt and deficit as gone up under this Government and this company tax cut is not funded. But we do need to move on.

We should acknowledge that on Tuesday we had the 10th anniversary of the national apology to the stolen generation, have a look at this:

**MALCOLM TURNBULL [CLIP]:** We cannot close the gap if we do not have equal participation in the economy.

**BILL SHORTEN [CLIP]:** On too many front progress remains far too slow.

**TURNBULL [CLIP]:** Do not support entrenching in the constitution a national representative assembly which only indigenous Australians can vote for or be elected to.

**SHORTEN [CLIP]:** Who are we to tell 1,200 delegates from 12 regional dialogues 'go back to the drawing board and try again, we here don't like it'

**MARLES:** The national apology was a grand moment in reconciliation between indigenous and non-indigenous Australians and I've got to say it was the first substantive day for me in Parliament and to this day it's the most remarkable and the most memorable and it was great to remember it and acknowledge it again this week. But I think the years in it's also incumbent on us to look at what practical change there has been and there has been some important change, but the key gap, the gap in life expectancy, remains persistently large, and we see other gaps remaining large as well such as employment, and I do think Christopher if you're going to cut half a billion dollars out of supporting indigenous Australians, which is what your government has done, questions do have to be asked about whether that's the right way to go in terms of ultimately closing the gap.

**PYNE:** The good news is, Richard, that we are actually improving the lot of indigenous Australians in some areas of the targets for the closing the gap report. Obviously I was in the Parliament for the apology as well, it was a very important day for indigenous and non-indigenous Australians. We are making progress, we need to do even more. I am looking forward to speaking to Michael McLeod after the break because I think we'll be able to wider this subject a bit more and talk to him about that. But there is improvement, there's a lot further to go and it should be as bipartisan an issue as possible

**MARLES:** We need to go to a break, join us afterwards and we will have that discussion with Michael McLeod.

[AD BREAK]

**PYNE:** Welcome back to *Pyne & Marles* here on Sky News Live where this afternoon I'm smiting Richard from thigh and hip on the subject of unity in governments, whether it's the Gillard or the Rudd government or the more recent one.

**MARLES:** You wish.

**PYNE:** But we do have this afternoon a great guest, Michael McLeod, who is the CEO of Message Stick. It's a tremendous success story as an indigenous business, as in fact any kind of business. Michael has an amazing story to tell and I'll let him tell a bit of it himself. Welcome to those show Michael, thanks very much for joining us.

**MICHAEL MCLEOD:** Thank you, and hello Christopher and Richard.

**PYNE:** So Michael, I'm, as you know, the Minister for Defence Industry and one of the really big success stories in indigenous business has been trying to get indigenous businesses engaged with Defence. It's one of the more successful areas of government procurement. I know you work with Adam Goodes in the Indigenous

Defence Network in marrying businesses with Defence and I must say I've seen a huge change in the last few years about indigenous entrepreneurs, indigenous businesses. You're one of those, what would be your message to, not just young indigenous people, but all indigenous people about taking control of their own lives through business?

**MCLEOD:** I would have to say that the opportunities exist. The opportunity that exists within Defence is just phenomenal, \$200 billion being spent over 20, 30 years and more importantly how do indigenous suppliers get networked into that. And it's through the Indigenous Defence Consortium of which I am the chair and a director of, Adam is the CEO, we have approximately 65 indigenous suppliers who are partnered with us from across Australia who are part of this opportunity that exists.

**MARLES:** Michael, we've known each other a long time and your story is genuinely an inspiration and what I love about what you do is that it's not just about your own success through the Indigenous Defence Network and also Supplier Nation which you established, you've been a champion for getting other indigenous Australians involved in entrepreneurship. But I guess the question I want to ask you is what inspired you to want to become a businessman yourself, to go down the path of entrepreneurship and to start your own business?

**MCLEOD:** I will say that I've met some amazing people along the way, so 15 years ago I had the wonderful opportunity again to meet Dugald Russell who has become my business colleague and partner and co-founder of Message Stick, my business, which we've built up to be a \$10 million annual revenue business over the time. It is a black and white story, reconciliation. I went down this path because I had a little bit of knowledge about ICT and it morphed into telecommunications and then telecommunications and with Duge's experience and knowledge from the corporate sector he took me on the journey, so that's really how it played out, from I will say poverty to where I am now, it's an extraordinary journey in itself. And Richard, you've met me and you know the story so I'm very proud of those people who have assisted me and skilled me, mentored me along the way.

**PYNE:** So Michael, to me success in this area looks like a business not being referred to as either an indigenous business or a non-indigenous business, that indigenous businesses are treated exactly same way as everybody else's business, and they're so commonplace that they're not even remarked upon anymore. What does success look like to you in terms of entrepreneurship in terms with indigenous people?

**MCLEOD:** For me it's really simple, it's financial independence, it's not reliant on anybody or any program or anything. The ability to step back and really drive your own destiny, that's what it is for me. I think as an indigenous person too, it's so important that as an aboriginal man that I can actually stand up and state quite categorically that I'm a role model in a sense as well to young aboriginal people who are coming through and looking at what is there available, instead of just from an employment perspective, there's the entrepreneurial opportunity and that's really why I went down the path of starting my own little business at that time, so yeah it's been extraordinary.

**MARLES:** Michael there obviously is a role in terms of being a role model to others, but to pick up Christopher's point, I remember you said you were delighted once

when you pointed out to me that the *AFR* had written an article about you, not in the context of you being indigenous but just the success of your business. But I did (inaudible) ask you, we had seen the tenth anniversary of the apology, you've run an apology breakfast remembering the apology every year since the national apology was given. What did that day mean to you and where do you think we're at now with indigenous reconciliation?

**MCLEOD:** Big question. I've been able to use Message Stick, my business, as a vehicle to do things which ordinarily I wouldn't be able to. I know when the apology was given by Kevin Rudd, 2008 I then had the means by which I could participate into the future and the reason is my passion there is because I am a member of the stolen generation as well, so it impacted me. So we actually reached a time in our history where the apology was given and I never believed that I would live to see that day. So it's been a passion of mine to ensure that we do, not so much celebrate, but commemorate the fact that the apology, each year we recognise it for what it is. And again, I would say I used the national apology breakfast as a platform to ensure that we don't forget about the members of the stolen generation, especially our elders. That's really what it's all about for me, it's that passion and I will continue to do it for the next 10 years, 20 years, whatever it is.

**MARLES:** I hope you do Michael and you are an absolute inspiration and it's a joy to have had you on the program today and best of luck for the future.

**MCLEOD:** Thank you.

**MARLES:** And that brings us to the question of the week, which is actually inspired by the very sad events that occurred yesterday in Florida with the shooting on a high school of 17 students. And the question of the week is: 'why hasn't the US dealt with the issue of gun violence in the way that countries like Australia and Canada have?'

Christopher, do you have an answer to that question?

**PYNE:** Richard, it is absolutely staggering, it's staggering that the United States Congressmen and Senators would not see what the rest of the world gun see, and that is that the gun laws in the United States have to change. Right across the border in Canada the number of deaths from gun violence are vastly less. The really great tragedy about Florida is that this young man planned to be a mass murderer in a school setting for some time. When is the United States going to see that their attachment to the so-called rights of the constitution that gives them the ability to carry their own arms is far outdated and very dangerous.

**MARLES:** And it was developed in a very different context, and Kim Beazley made this point, the right to bear arms relates to a time in history where you had a citizen's militia that was fundamental to America founding its independence. Now we see America with just about the most powerful standing army in the world, and so really the terms on which that right is placed in the constitution is very different to how it's being interpreted today and I don't think it's actually, in truth, a constitution issue. I think what you've got there in America is a very, very strong lobby which parties have found it difficult to confront, but it is certainly a very troubling issue. And you raised the point exactly when you just look across the border in North America to Canada, you have a vastly different outcome and I think it remains one of the great

achievements of the Howard government that gun laws and gun reforms were brought in here in Australia.

Christopher we've run out of time, thanks again for having a chat with me today, viewer we've loved having you along as well. Join us next week for Sky News-

**PYNE:** -Viewer, or viewers?

**MARLES:** There are viewers out there. We'll see you then.

**CHRISTOPHER PYNE:** (laughs) Sure, thank you.

[ENDS]