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**E&OE TRANSCRIPT  
SKY NEWS LIVE  
PYNE & MARLES  
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**SUBJECTS:** *North Korea; NDIS; PM's Germany trip; US Ambassador appointment; ANZAC Day; Sir John Monash; Concord Repatriation Hospital; Celebrity Phone Numbers*

**CHRISTOPHER PYNE:** Well, good afternoon and welcome to *Pyne & Marles* here on Sky News Live on Friday, 27<sup>th</sup> April at 1 o' clock AEST. I'm Christopher Pyne and I am here in Adelaide, and my co-presenter Richard Marles is in Geelong today. Good afternoon, Richard.

**RICHARD MARLES:** How are you Christopher? It is a historic day and historic moment with the summit between President Moon of South Korea and Kim Jong-un of North Korea. That meeting is taking place as we speak, and it is the first 2007, a summit between the two leaders, obviously the first between these two individuals, and I think the third time we've had a summit between the presidents of South and North Korea, and it is a really remarkable moment given what's occurred in the last 12 months. Why do you think this has happened, Christopher?

**PYNE:** Well it is a historic day, and my dad served in Korea just after the Korean War as part of the continuing activities there. So, it has a personal meaning for me. It is a historic day with potential to lead to something significant. In our lifetimes, we have had moments with the handshakes between Israeli and Palestinian leaders, 25 years ago. That continues to be a bugbear of course. Today we have a potential for a breakthrough in the Korean peninsula. I wouldn't put it more highly than that. I think the economic sanctions of the West and China and others against North Korea are probably having a serious economic effect. I hope that's the case. This is really the precursor to the conversation that Kim Jong-un will be having with President Trump and I guess it is a pre-run of that to see what progress can be made. But I think we'll all be waiting for some concrete outcomes, not just some handshakes and hand-holding and crossing the demilitarised zone, although it is a very important day, all the same.

**MARLES:** Yeah that's all true, and it's the nature of these things that their significance we won't really know for some time afterwards. I think 'potential' is a good word. This might be something very significant, but time will tell.

Sanctions, I'm sure have played a role. The question for our interests, and the US, and obviously South Korea need to push, is whether we're going to see de-nuclearisation. What we're hearing from the North Koreans is that they aren't going to do any more nuclear testing. I just hope that's not because they feel that they've got the capability that they're after and they don't need to any more testing, because ultimately there cannot be an acceptance of North Korea as a nuclear power. That's the non-negotiable here.

**PYNE:** That's the red line for us.

**MARLES:** It has to be. But it is nevertheless a remarkable day, and certainly the images we've been seeing this morning have been extraordinary.

Anyway, we have more to talk about during the show.

This week, we've seen an announcement from the Government that it's not going to pursue its increase for the Medicare levy, in respect to the NDIS. We've had the Prime Minister overseas, and we're going to focus particularly on his bilateral visit to Germany, which is a relationship that probably hasn't had enough attention over the journey, so we'll be talking about that. And of course, there's been news related to what we've seen on TVs this morning about Admiral Harry Harris, who was slated to become the American Ambassador to Australia, has now been reassigned to become the Ambassador to South Korea for the United States. What does all that mean?

Our guest today is John Bale, who is the CEO of Soldier On. We'll be talking to him in Anzac Day week about the meaning of Anzac Day.

To begin with, the Government's decision to not pursue an increase in the Medicare levy to, as it was describing this time last year, to fund the NDIS. Take a look at this:

**SCOTT MORRISON [CLIP]:** I'm not a fan of increasing taxes when there is another way to achieve that goal.

**CHRIS BOWEN [CLIP]:** If we ever needed any more indication that the Government gets the big calls wrong, and Labor gets them right, this is it.

**BOWEN [CLIP]:** The Government, now having dropped the Medicare levy increase, of course, we no longer have to proceed with the effort of compromise.

**MORRISON [CLIP]:** The NDIS is fully funded and guaranteed from the Turnbull Government.

**MARLES:** So Christopher, this is just a humiliating back down. Does this now mean, given all that you said this time last year, that you absolutely accept that the NDIS is fully funded and was fully funded by the former Labor government?

**PYNE:** Well the NDIS was not fully funded by the former Labor Government, but because of what Scott Morrison has been able to achieve as Treasurer, we are now in a position where revenue can now cover the National Disability Insurance Scheme. Labor was always about smoke and mirrors. Listening to Chris Bowen reminds me of Wayne Swan. This guy just says the most audacious thing he can think of, that's clearly ridiculous, but as long as he keeps repeating it, it'll get up on

the television news, and he's got his line up. Now, that's no way to run a country. As usual, Labor are addicted to taxation. They are now criticising us for not increasing the Medicare Levy, when we don't need to increase the Medicare Levy because we've covered it in different means.

**MARLES:** How have you covered it?

**PYNE:** We've covered it through the revenue that we're collecting in the Budget, which because the economy is growing, because we got the big calls right on the economy, we are now collecting more revenue, which covers the NDIS. Now Labor of course always use their taxes to chase their spending. You never want to get to that situation. What you want to do is get into a position where you can return the dividend to the Australian people. That's why the Howard Government was always delivering tax cuts in every budget. 10 out of 11 budgets, we had tax cuts. Whereas next year you'll be proposing increases in six taxes. That's one of the reasons you're not going to win next year, because you're addicted to taxation.

**MARLES:** But here's the thing, Christopher: as recently as MYEFO it was part of your fiscal rules that increases in economic circumstances and the revenues that they drive would go straight into the budget bottom line. So what you're telling me now is that you're in fact relying on those revenues to cover the NDIS, well, then you're breaking your own fiscal rules, which is not really that much of a surprise because you've been all over the place in terms of the management of the budget.

But the thing is, it would be nice to see you do some governing. Firstly, we got the call right on this; we got the call right on the Royal Commission; we got it right on superannuation tax – you followed us on that. It would be nice if you had some ideas of yourselves that you implemented as a government.

**PYNE:** I love hearing Labor people talk about fiscal rectitude. I mean, it's like hearing Freddie Kruger talk about generosity to children.

**MARLES:** Old lines, old lines.

**PYNE:** The Labor Government has completely messed up the budget for six years, having inherited the most fantastic fiscal situation from the Howard and Costello government, and now you're lecturing us. You want to increase taxes next year in the election. The public are going to know it, and they're not going to vote for you because they're terrified of increased taxes and your leader's relationship with the CFMEU is a whole other subject. The good news is though, for the Australian public is that we're not going to increase the Medicare Levy to pay for the NDIS because we've found other means to pay for it, and Labor should be congratulating us for that rather than try to find a way criticise us.

**MARLES:** If you've had to bring the CFMEU in you must be in trouble on this issue.

**PYNE:** I love talking about your relationship with the CFMEU. It's one of my favourite subjects, because it's terrifying for the public. You stick with them.

**MARLES:** So the next subject-

**PYNE:** -I think we need to move on. We're getting the wind up from the producers, so we'll move on. Also the Prime Minister this week had a very successful visit to CHOGM, and to Berlin. Let's have a look at how the week unfolded.

**MALCOLM TURNBULL [CLIP]:** We are both liberal democracies, and you emphasised the importance of maintaining rules-based order, the rules of the road.

**ANGELA MERKEL (translation) [CLIP]:** Germany has always been in favour to actually meet Australia's wish for a free trade agreement, and I think we've made significant progress on the road towards that.

**PYNE:** Well Richard it's really exciting to see this relationship with Germany blossoming in the way that it has. It is also very important with Brexit, our relationship with Germany moves to another plain. You'd largely be supportive of what we're doing in Europe, wouldn't you?

**MARLES:** Look, I agree with that, in that I think Brexit is a game-changer in terms of our needing to build up our relationships on the continent. You know, that's happening with France. There's a strong bilateral agenda there. Obviously the procurement of the submarines has completely transformed that relationship.

But Germany is the fourth-largest economy in the world, yet they are our tenth biggest trading partner, our thirteenth-biggest source of investment, so there's a lot of upside to be had in terms of building that relationship with Germany, and I think it has been traditionally underdone. I was actually pleased to see the Prime Minister do a visit to Berlin, and as you would be aware, in the portfolio, with both Rheinmetall doing the Land 400 tender, and Lurssen doing the offshore patrol vessels, we've now got some significant German companies playing in our space.

**PYNE:** We have some serious punctuation marks in our relationship, which is critically important, and I think that Mathias Cormann who had been heading up the Prime Minister's counsel for Germany with business leaders in Germany and Australia has made a big difference to shining a light on that relationship. Of course Germany is also a big supporter of Australia's free trade agreements with Europe, which not all countries in Europe are as enthusiastic about. Germany has always been traditionally in favour of free trade, as are other countries in Europe, some less so than others, and that's very important to us.

**MARLES:** That's right. Having a free trade agreement with the EU is something that we should be aspiring to. It's been talked about for a long time. The formal process commenced in 2015, and that's not going to happen without Germany being at the centre of driving that, so it was pleasing to see the Prime Minister there, and I think it is absolutely a relationship that we need to develop.

Talking of relationships, we had the news this week, indeed it became public in Australian time on Anzac day, that Admiral Harry Harris, who had been slotted as the potential US Ambassador to Australia, the former commander, or current commander on this day to the US Pacific Command, will be reassigned to becoming the American Ambassador to South Korea, and that obviously has a lot to do with what has been playing out in the Korean peninsula. Have a look at this.

**JULIE BISHOP [CLIP]:** The White House Administration has decided to reassign Admiral Harris to another post.

**MALCOLM TURNBULL [CLIP]:** I'm disappointed that Harry is not coming. He is a guy of enormous experience.

**JIM CARUSO [CLIP]:** We need our very best person, given what's going on on the Korean Peninsula.

**MARLES:** So Admiral Harris is someone with enormous stature, and it would have been great to see him here as the American Ambassador. Does it worry you, Christopher that we don't, and haven't, had an Ambassador in 16 months?

**PYNE:** Well, this is the longest time that the United States has not had an Ambassador in place in Australia. We were really looking forward to Harry Harris coming here. I know that you've met Admiral Harris. I've met him as well. He's got very clear eyed views about the role of the United States in the world. I can understand why he would be deployed in South Korea. It is a tipping point in the relationship with North Korea, and the United States. I can see why he would be deployed there because he's very good at what he does, but it is disappointing for us. Jim Caruso, of course, is the Charge d'Affaires. He's been doing a sensational job, and I hope the United States doesn't take too long to appoint an Ambassador of equal stature to Harry Harris because it's critical to our relationship, which is very strong, as you know. But I've just returned from the US, and I think you're just about to go to the US, and we're very well received in Washington, whenever we're there. But, it would be good to have an Ambassador in place as soon as possible.

**MARLES:** Yeah look, I think that's right. Obviously we'd like to see an Ambassador. I've got to say, I'm not that worried about it. You mentioned Jim Caruso. He's a fantastic diplomat, and he's been doing a wonderful job as the Charge 'Affaires.

I think in terms of appointments, when you look at the bilateral between ourselves and the United States and how that works in a granular day-to-day level, there are people up the chain, starting with the Ambassador, but a number in the State Department in Washington who carry the relationship and I actually think the bigger issue is actually the non-appointment to this point in time of some key people in Washington. So, I'm more concerned about that angle than how the US is represented in Australia, because I think Jim's doing a great job, but sure, the sooner we get an Ambassador, the better.

We've come to end of the first part of the show. Join us afterwards when we're going to be talking with John Bale from Soldier On.

[AD BREAK]

**PYNE:** Welcome back to *Pyne & Marles* here on Sky News Live. This week has been Anzac Day on Wednesday, the public holiday, which was a big day for politicians but also a very big day for veterans, in fact the whole country, and our guest today is the CEO of Solider On, John Bale, who's been on our show a couple of times and we always love having him. Welcome to the show, John.

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

**PYNE:** So I think the obvious question is why is Anzac Day so significant these days? 25 years ago when I first got elected there'd be 50, 60, 70 people at a dawn

service when I would go out on Anzac Day, now there's never less than 1,000 at the smallest to 2,000 in places where they used to be much, much smaller. So what's happened over the last quarter of a century where Anzac Day has taken on such significance for the Australian population?

**BALE:** I think because of being involved in a range on conflicts, peacekeeping operations and such, people have started to understand the implication of coming back from overseas. So, we've looked back to our history, we've looked back especially to World War I over the last four years, this being the last year of the Centenary of ANZAC, and we've recognised that there's been a real impact on those who have served and really making sure that now, looking forward at a new generation who have recently returned, who are still serving, that we can support them.

So those numbers I think have increased because of good work around looking back and making sure that we recognise that service, but also it's been brought home that we're still involved in operations overseas. I think especially since our intervention in East Timor in 1999 through, we've really realised what the men and women of the Australia Defence Force did then and still do now, and that has, I think, revolutionised that way that the War Memorial and all of those other places where yesterday we had all of these really good commemorative services have revitalised Anzac Day.

**MARLES:** So John your constituency would be largely that younger generation of veterans who have served in conflict since 1999. I'm not sure the country feels like it's been at war during that period, although Christopher and I obviously have met people who have served and absolutely understand the sorts of environments and the appalling circumstances and the bravery that they've shown during that period of time. Do you think that younger generations of veterans, how do they regard Anzac Day? Do they feel that Anzac Day gives them the commemoration that they deserve?

**BALE:** I think it's a complicated answer to be honest, Richard, because a couple of years ago I don't think they did. I honestly think that Anzac Day for many modern veterans didn't really resonate that well, but over the last couple of years there's been as strong push, you saw this year making sure that female veterans were understood as veterans, that the questions that sometimes they were asked about wearing their grandfathers' or fathers' medals on the wrong side were put aside and actually recognised their service, which is fantastic.

I think these last couple of years have really changed the way that Anzac Day is not supporting just those of the Vietnam generation and the dwindling numbers from World War II, but also those of our most recent conflicts. We need to make sure, though, that at the end of the Centenary of Anzac being the end of this year that going forward the next year we don't lose that and make sure that those who have come back recently continue to be a part of that day, because at the end of the day it is for them as much as it is for the nation.

**MARLES:** Absolutely

**PYNE:** And John this week you mentioned yourself the investment in the institutions like the War Memorial over recent years which has really transformed that into an amazing centrepiece for our history, and this week has seen the opening of the Sir

John Monash Centre at Villers-Bretonneux, a \$100 million investment by the government, but it's also led to the inevitable debate about the posthumous promotion of Sir John Monash from General to Field Marshall. I know it's a bit of a left field question and not necessarily that important to your constituency but as a returned serviceman do you have a view about that particular issue?

**BALE:** I'll do it in two parts, and first actually that infrastructure question, and I'm on the record and others in my organisation and a lot of other veterans are on the record to say that we're supportive of the Sir John Monash Centre and the concept of making sure that we're putting investments into recognising the history of those who walked before us in the ANZAC tradition. My great grandfather was wounded on the western front and I look forward to taking my kids back there.

At the same time, making sure the investment is here and now and the Department of Veterans' Affairs is obviously doing a lot of good work changing that organisation, making it more veteran-centric. We've been out over the last couple of weeks talking about a new centre of excellence that we've got two-thirds pledged by corporate Australia, by the state governments and by philanthropy in setting up a facility at Concord, which will be like our US and UK counterparts. We're hoping for some good news in the budget.

So I think it's about making sure that we balance not just looking back but also looking forward and making sure that the investment can be done in both regards.

On the other part of the question I think, and I'm not a historian, that we have to take the historians' view on this, and I've seen a number of historians talk about this recently and saying that at the end of the day Sir John Monash was given the recognition he deserved while he was in the position as a Lieutenant-General in 1918 and further promoted later and also knighted. So, I think that at the end of the day we have to take the experts' views on this and from a veteran's perspective myself I think that's the importance of taking the experts at their word.

**MARLES:** And John just quickly, we've only got a moment, but tell us a bit more about the centre of excellence at Concord Hospital.

**BALE:** So this would be a facility, the first phase will be basically a Ronald McDonald House for those who have served, and especially their families, so bringing anyone who's served from around the country, their families, into Concord and then providing a range of clinical services. It's Concord Repatriation Hospital, and that's a facility obviously that's going back to that lineage of the repatriation hospitals, so providing physical, mental health support, drug and alcohol support and a range of other clinical interventions, but as well as making sure that the families get the support that they need and making that facility something that then can connect nationally to all the other centres that are around and connecting into the Department of Veterans' Affairs and Defence. And we think that this will be part, one of those missing links. We've seen over the last couple of years a lot of investment from this government, from the government previously in veterans and we think this will be one of the other aspects that will really tie up the Centenary of ANZAC, making sure we just don't look back, and invest in the Villers-Bretonneux site and Sir John Monash Centre, but also look forward, and I think we can all be proud of this facility.

**MARLES:** John thank you for joining us today, it's been a pleasure to chat to you, and Solider On does fantastic work so congratulations on all that you do.

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

**PYNE:** Pleasure

**MARLES:** And that brings us to the question of the week, which has been inspired by the interesting relationship between Kanye West and President Trump, the power of celebrity. So the question we're asking each other is: who is the most famous person that we have in our phone contact list. I'm not sure I have many famous people, but Christopher what's the answer to that in your case?

**PYNE:** Richard, it's a question of the interesting things that trip your trigger, and I guess my childhood, I grew up watching people like Bert Newton on television so the most exciting phone call that I've ever had and saved the number in my contacts was from Bert Newton ringing me, actually after an answer I had given to a question of yours, teasing you about being in Honolulu and getting carried away at the clambake and Bert Newton rang me about it. Bert Newton, moon face, a great showbiz personality and that's the most exciting celebrity on my contacts list. I know that for most young people they'll be saying 'Burt who?' but he's very big with me and my generation, but what about yourself?

**MARLES:** Well if Bert's giving you compliments about your comic timing that is definitely a big wrap. Look, unfortunately, I'm not sure I compete with that at all. I've got some Geelong football players in there but if we're not allowed to mention former politicians I think my contact list is pretty bare.

Anyway, we've run out of time. Great to talk to you again, Christopher, today, and viewers we'll look forward to speaking with you again next week at one o'clock on *Pyne & Marles*.

[ENDS]

***Authorised by Noah Carroll ALP Canberra***