



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

**E&OE TRANSCRIPT
TELEVISION INTERVIEW
SKY NEWS LIVE
AM AGENDA
WEDNESDAY, 23 MAY 2018**

SUBJECTS: North Korea; China; foreign interference; company tax cuts

HOST: With me now is the Shadow Defence Minister, Richard Marles. Thanks so much for your time. We'll get to the China issues in a moment. First of all, on North Korea, I still have some doubt as to whether or not this summit is going to go ahead or not.

RICHARD MARLES, SHADOW MINISTER FOR DEFENCE: Look, I've got no idea what's going to happen. In a sense, who would, in terms of what Donald Trump's decisions would be? Where I get to is this: when this was first announced I said this was hopeful, but let's pray that it's not false hope. What has to be the principal issue here is the denuclearisation of North Korea.

At the end of the day, we cannot afford to be recognising North Korea in any way as a nuclear power, because if we do that fundamentally changes, really, the safety of the planet going forward. I actually take some heart from the fact that the White House is making it very clear that at the centre of the American proposition in relation to whatever transpires with North Korea is the fact that North Korea needs to denuclearise. That has to be the bottom line.

HOST: This could be, though, I mean, some are saying that this is, as I mentioned to Paula Hancock, some people and observers saying this is just North Korea going in, reverting to type, but it could also be, and this is what some analysts are suggesting, Pyongyang just wanting some crystal clear guarantees about, you know, ensuring the survival of their regime in a post-nuclear peninsula.

MARLES: I think there are a whole lot of agendas going on here. That's certainly one of them. North Korea, I think, do want to open up economically and get foreign investment into their country, and if that's their aim then normalising relationships with Western countries is obviously very high up on their agenda

What we've got to remember and what has to be seen as the clear objective of the West, if you like, in this is the denuclearisation of North Korea. Whatever he's given in relation to North Korea - and a normalising of relationships would obviously be a good thing; more

foreign investment into that country would be a good thing; alleviating poverty in North Korea would be a good thing - the starting point has to be the denuclearisation of North Korea.

HOST: Yesterday I spoke to the Foreign Minister on this program. She had just had talks, wrapped up talks only moments earlier with the Chinese Foreign Minister, Wang Yi. She said they were warm, constructive talks. The foreign ministry did not have the same take on it, said it was not even an official bilateral meeting and that Australia needs to take off its coloured glasses when it comes to China, to be more positive about China. The Prime Minister was certainly positive about China this morning, talking about the 1.2 million Australians of Chinese descent, including his two grandkids, and really just trying to put this on a firm, positive footing now.

MARLES: Well I note the difference in tone as well, between reports of the meeting from the Chinese side and from Julie Bishop's office. I certainly hope that it was a warm meeting as the Foreign Minister has said. This Government needs to work on its relationship with China, particularly given the language that they were using last year in the lead up to the Bennelong by-election-

HOST: -So what's happening here, then, if Julie Bishop says, you know, she was invited. Is she going to visit Beijing in the next couple of weeks? Is this just about trying to make up a bit of ground? Is this posturing from the Chinese? What is it?

MARLES: Who knows, and at the end of the day it is a matter for the Government to rectify its relationship with China, but what I know is this-

HOST: -You're going to do your bit. You're going to visit, apparently, later in the year as well. You're going to do your bit, I guess.

MARLES: We would be very keen to try and make a visit of that kind happen. At the end of the day our relationship with China is fundamental. I mean, everyone knows that I'm a very keen supporter of our alliance with the United States, but that said, our relationship with China is a profoundly important relationship and it needs to be more than simply an economic relationship. It needs to be a better political relationship and I can imagine in time growing the defence relationship as well.

I think it does require us to look at the positive sides of China. We often talk about human rights issues in China, and we should and that's fair enough, but it's also true that China is responsible for the single biggest alleviation of poverty in human history. That's an enormous human rights achievement. So I think we do need to be open-minded in the way in which we build our relationship with China.

The way I look at it, Kieran, is that to me the world looks a lot safer from where we sit here when we see the relationship between America and China improving. If that's our view it makes no sense for us not to do everything we can within our power to improve our own relationship with China.

HOST: To engage as opposed to simply criticise and tolerate-

MARLES: Well look, there are difficult issues in our relationship with China and we can't pull punches on that and we need to be very strong and clear-eyed in our own national interests and the way we talk with China.

But what that highlights is that there is no room for gratuitous behaviour in relation to China, and that's what we saw on the part of the Government in the lead up to the Bennelong by-election last year, when you saw a whole lot of flagrant language that was used-

HOST: -But do you take Julie Bishop at her word now, that she feels it was a warm, constructive meeting. The Chinese Foreign Ministry might have its own take but this is coming from the Foreign Minister's mouth, as I say, on this show yesterday where she said it was warm, it was constructive, went for more than an hour, she's been invited to visit. She'll be there in a few weeks.

MARLES: Well I really hope she goes and I really hope her account of that meeting is correct. I really do. You noted and it's impossible not to note the difference in time between the reports of those meetings. I hope our Foreign Minister is right. It is absolutely essential that this Government does everything it can to improve its relationship with China, and the Foreign Minister visiting China would be a very good start.

HOST: My colleague, Primrose Riordon at *The Australian*, reported this week that you and Penny Wong will be visiting in September. Is that your plan, to go to Beijing?

MARLES: We are very keen to try and make a visit to China happen. There's a little bit of water to go under the bridge before we can confirm all of that, and obviously there's a busy and perhaps unpredictable timetable for the rest of this year in terms of what's happening on the political landscape, but certainly that's a trip that we would like to make happen because, as I said, I think our relationship with China is critically important.

HOST: The use of parliamentary privilege last night by Andrew Hastie, the Prime Minister says the allegations are nothing new. What's your view of the use of parliamentary privilege in this particular context?

MARLES: Look, I'm not aware of the precise circumstances in which Mr Hastie was given that information, and obviously that has a bearing on his decision to air it in the House of Representatives. Ultimately that's a matter for him.

What I take from it now that that information has been put out is how important it is that we get our foreign interference laws in order. We've been calling, Labor's been calling, since June of last year for a ban on foreign donations in our elections. It's critically important that we achieve that. We're working, or seeking to work, constructively with the Government through the Intelligence Committee, the Joint Intelligence Committee. It's really important that that occurs and that we get this legislation-

HOST: -The Prime Minister's reaction, he said he wasn't briefed on it before the claims were made and there is nothing new in it, was his reaction today, also that from the Trade Minister, so they're clearly not delighted that Mr Hastie has made this particular intervention.

MARLES: Well, ultimately it is a matter for Andrew Hastie as to why he's made the decision to air these claims, and ultimately it's a matter for the Government to sort this out between them.

What I take from this is how important it is that we get our foreign interference laws passed, and you know there is a process that we're working through to try and reach a consensus with the Government. We've got to get that done and we've got to get this legislation enacted.

HOST: On another matter, just quickly, the tax debate, it looks like the Government is going to have an internal discussion as to whether or not they keep them or don't keep the company tax changes after Pauline Hanson's fourth change of heart this year. What's Labor's view on this, because if the Government were to scrap it and spend more on income tax it would out do your plan?

MARLES: Well, firstly we oppose the company tax cut. We've been very clear and consistent about our position in relation to this. The idea of a \$17 billion tax break to big banks over the next decade is frankly an outrage and is not how we should be spending scarce taxpayer resources.

I'd make this observation-

HOST: So you congratulate Pauline Hanson, then, for seeing the light on that?

MARLES: We oppose this. This law should not pass. I'd make that point very simply.

I would make this observation as well: this is a Government that was proposing an increase in the GST; at one point it was proposing the imposition of state income taxes; it's now been running with this company tax cut. If they ultimately abandon it, what is the point of Malcolm Turnbull? I mean what on earth does he stand for? What plan, what vision does this man have for our nation's future? Reality: they don't have one. They flip flop all over the place. This is a government without a strategy.

At the end of the day we have a budget which is in structural deficit. You need to have real reform to solve that problem, and that problem needs to be solved because if we don't in the middle of the century this will be a very different country for our children and our grandchildren. There's only one team on the field now engaged in the active business of trying to come up with that reform and that's the Labor Party.

HOST: Richard Marles, thanks as always. Appreciate it.

-ends-

Authorised by Noah Carroll ALP Canberra