

Labor



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**THE HON RICHARD MARLES MP
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**E&OE TRANSCRIPT
TELEVISION INTERVIEW
SKY NEWS LIVE
AM AGENDA
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SUBJECTS: Telstra job cuts; China; United States; North Korea; Labor's fairer tax plan

HOST: With me now Labor frontbencher Richard Marles, and before we get on to areas of your responsibility and focus in defence and foreign policy, I want to ask you about this story this morning on Telstra. As James said, likely to be well received by the market, but for 8,000 employees out there terrible news today.

RICHARD MARLES, SHADOW MINISTER FOR DEFENCE: It's a huge shock. This is, I think, the largest employer in Australia, certainly one of them, and that is a very significant number of employees even over that period of time, and this is going to be a very difficult day for every Telstra worker.

HOST: We'll have a news conference with Andy Penn, the Chief Executive of Telstra. That's at 9 o'clock Eastern. We'll take you there live when he speaks to the media at 9 o'clock Eastern.

Let's turn our attention to some other news of the day, and we've seen further developments in Beijing overnight, Kim Jong-un back in Beijing meeting with the Chinese leader in the wake of that summit last week, but when you look at the fallout of this and the implications of that it really could see a huge shift in terms of the power balance in our region. If Kim Jong-un is good to his word, denuclearizes as the US pulls out of South Korea, who's providing the security umbrella for North Korea? It's China, so the US pulls out, China steps in.

MARLES: I think the point that you make is a very good one. I think if you're looking at Australia's interests in all of this an American presence in East Asia is very much in our interest. We've been making that argument for a long time and really that argument's been made in a bipartisan way on both sides of politics. However this resolves, I think it is really important that America maintains its presence in the region. I would make the observation that there is a long way to go here, and I'd also make the observation that China playing a part in the denuclearization of North Korea is really important.

HOST: They said they see it as clearly a win for them because we know how sensitive China has been to things like the US and South Korean THAAD missile system. They did not want that on the Korean Peninsula and therefore if they could see a withdrawal of US troops on the peninsula they would see that as a win.

MARLES: Sure, they would. It's important to also understand that a few months ago when the rhetoric was at its height and the testing was at its height we were also making the argument that it's in China's interests to be more engaged in the denuclearization of North Korea. We sought to engage that interest and it was the right thing to do. So, you kind of can't have it both ways.

It is important that China plays a role here. A nuclear North Korea was never something that was good for China because of a number of the implications that you've just described and the instability that it provided on their border. It is really important in my view that this is a joint effort between not just the West

but between America and China in bringing North Korea to a place where they do actually get rid of their nuclear weapons, and that has to be the first order of business here. We've actually got to see North Korea do more than express an aspiration, as important as that is, but to actually walk down the path of denuclearization.

HOST: So basically the aim would be to see that happen, but also then to encourage the US to maintain its engagement with the region parallel to that?

MARLES: Correct. That's exactly right.

HOST: But the faith in the United States doesn't appear to be too strong within the Australian population right now. The Lowy Institute poll, the annual poll released this morning, says trust in the United States is declining. Most Australians have little confidence in Donald Trump. A bare majority, 55 percent, say they trust the US either a great deal or somewhat. It's the lowest level of trust in the US in that Lowy Institute poll history.

MARLES: I think this highlights that it's heavy going at the moment in terms of making the argument around the importance of the alliance, but the fundamentals of the alliance remain as strong, in some respects stronger, now than they've ever been. It is as much in our interest, probably more in our interest, now to be maintaining that alliance with America than it's been for many decades.

I've often expressed the view that an unpredictable American president is not something I particularly like to see, even though that is what Donald Trump seeks to be. I think in some respects this is the price of that, and it's not that an opinion poll of this kind is going to determine Australian foreign policy, but it does it does make it harder going in terms of making the arguments that we need to make.

I think it does come back to this issue: having very clear, transparent, sensible

decision making and what is perceived to be sensible decision making is really important, and I actually think predictability matters, particularly when you're talking about the leader of the United States.

HOST: It matters on a range of issues, and one nation that, in terms of predictability, that enjoys predictability, not so much in terms of the way it's being responded to, I guess, internationally, but China is predictable. There's no doubt about it, and yesterday their ambassador said that bigotry and bias was poisoning the bilateral relationship, and yet Mr Turnbull told the Australia China Business Council yesterday that things are hunky dory, basically. Which is it?

MARLES: I don't think things are hunky dory. I think we have always got to be making sure that bigotry has no place in the way in which we relate to China, and for that matter any country in the world. Bigotry should not be a feature of our foreign policy and if we go back through the last century it has been at times, so it's really important that we are demonstrating, particularly to our neighbours in South East Asia and East Asia, that is well in the past. It is really important that we engage with China on terms which are dignified and respectful, and understand that China is not an enemy in the sense of the Soviet Union. China doesn't have aspirations around what political system should apply in Australia. The growth in our economic relationship with China has been enormously beneficial to Australians and China, seen in its own terms, has achieved remarkable things. It's responsible for the single biggest alleviation of poverty in human history. These are all points that I think are important for us to make.

HOST: Does Labor need to be careful, though, not to be too critical or polarizing, I guess in a sense, when it comes to the politics of this, to criticise the Government as you have done of being guilty of megaphone diplomacy and that sort of thing? Is it time to try and cool things down as opposed to make a political football of it?

MARLES: I don't think we're making a political football of it. I think it's actually

really important for people in positions like mine and Penny Wong to be making sure that we're calling it in a sober way as we see it, and that's what we're seeking to do. Let's be clear: I've probably been a hawk in relation to China and I think that's a correct assessment of where I stand. When it comes to issues like the South China Sea and the way in which China is seeking to shape the global rules based order, I think we've got some real issues and it is important that we have a very clear articulation to China about what our national interest is and at times I feel the Government could be stronger in relation to that.

At the same time, you can do that in a dignified way and the kind of gratuitous comment that we saw at the end of last year in relation to the Bennelong by-election was enormously damaging because you couldn't understand it in terms of an expression of Australia's national interest. It was only about partisan domestic politics.

HOST: Just quickly on domestic politics, are you willing to take an anti-tax cut agenda to the by-elections and the next general election?

MARLES: That's not what we're doing.

HOST: That's a tough message.

MARLES: That's absolutely not what we're doing.

HOST: For those earning over \$90,000 and \$120,000 are going to be getting a lot less under Labor's plan.

MARLES: That's absolutely not right-

HOST: -Beyond the first phase.

MARLES: If you're under \$125,000 you're going to be getting much more under Labor's plan.

HOST: Not beyond the first phase.

MARLES: The second and third phases are way off into the future, Kieran.

HOST: A lot better off.

MARLES: They're way off into the future. If you are under \$125,000, that's the majority of taxpayers in Australia, you are going to be much better off under Labor's plan.

But here's the thing: we've got a tax plan which we think would be much better for ordinary, middle-class and working-class Australians. The Government don't like it. The back end of the Government's plan we think is profoundly unfair. We don't like it.

But we would be willing, right now, to pass the first phase of the Government's plan. We'd be willing to do it right now, so isn't practical engagement in this Parliament about getting that part of the package that we actually can get across the line so that it is in place by 1 July? The Government are being bloody minded in refusing to do that. That's the fact of the matter, here. We can get that tax cut in our law within in the next 10 days if the Government is willing to.

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

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Authorised by Noah Carroll ALP Canberra
