

**THE HON BILL SHORTEN MP
LEADER OF THE OPPOSITION
SHADOW MINISTER FOR INDIGENOUS AFFAIRS AND
ABORIGINAL AND TORRES STRAIT ISLANDERS
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**E&OE TRANSCRIPT
TELEVISION INTERVIEW
THE TODAY SHOW
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SUBJECT: 2019 Budget; Labor's Fair Go Action Plan.

DEB KNIGHT: Well, if the opinion polls do play out Josh Frydenberg's first budget will never become a reality with Labor leader Bill Shorten on track to claim victory at the looming election. The Opposition Leader joins me now. Bill Shorten, good morning to you.

BILL SHORTEN, LEADER OF THE OPPOSITION: Good morning Deb.

KNIGHT: So you will deliver your budget reply tomorrow, will you match the Prime Minister when it comes to the tax cuts?

SHORTEN: Well without being pedantic, last year I said we should give \$1,000 to people under \$126,000 income. I'm pleased that the Government this year has agreed with us. So, on July 1st, and this is probably what's more important to the viewers, whoever you vote for you are going to get the \$1,000 refund if you earn up to \$126,000. That's roughly what will happen. So it's the same.

If you're one of the 99 per cent of small businesses or businesses under \$50 million, same tax policy. So for all the Government's carry on, it's actually the same position.

Our concern though is that going forward, this government didn't deal with some of the key issues. It's a con to get you through the next six weeks. Haven't changed their cuts to schools and hospitals, hasn't got a policy on climate change and what happened to electricity prices? The Government didn't want to talk about that.

KNIGHT: So tax cuts will come from you definitely on Thursday night. Will you go further than the Treasurer has?

SHORTEN: Well we have got to do what the budget can afford. We are studying the budget now. Our view is that we'll match that –

KNIGHT: So possibly, that's not a no?

SHORTEN: I don't want to get false hopes up. I suspect we are in the zone of matching, that both sides of politics, we'll go to the people with the same tax profile for small business and the same tax profile for Australians. One thing we will do though is that for people under \$40,000, this government didn't increase their tax offering from last year. Now that's nearly three million people, somewhere between two and a half and three million people earn less than \$40,000. Most of them are women. So, I don't know whether this is a deliberate oversight or just a rushed mistake, but we are going to tidy that up. Because we think a shop assistant on \$35,000 deserves relief just like a CEO or anyone else.

KNIGHT: What about the surplus, will you match the Government when it comes to the size of the surplus?

SHORTEN: I suspect we will do better because we are making economic reform decisions.

KNIGHT: So what ballpark are we talking?

SHORTEN: Well we'll have to finalise the numbers, but one of the changes is that we are going pretty hard on multinationals to pay their fair share. We've also said that for negative gearing in the future, that is giving a tax subsidy to property investors, if you currently negatively gear, the rules don't change. But in the future, I have got to back the first home buyer over a property investor getting a tax subsidy buying their sixth or tenth property. But that change means that we've got more money to put back into the schools, put back into the hospitals, make sure three-year-olds can get access to kindy, do more work to help older Australians, and push down in terms of the debt.

KNIGHT: The budget did talk about a number of headwinds that we are facing here in Australia. The global economy is slowing down, the commodity prices is an issue, whether or not they will stay high, and the housing market here in Australia, housing prices. Will you be sticking with your policy of overhauling the capital gains tax, negative gearing, in light of the fact that the property markets forecasts are not good?

SHORTEN: Well the Government likes to blame us even though we haven't got

elected yet, if we do. The biggest fall in property prices in recent memory has happened under the current government. They have no plan for it. I make no apology for saying that I like to see first home buyers get an equal go. This Saturday, and the many Saturdays we've seen under this government, you've got a young couple, maybe helped by their parents, they've tried to put aside for the deposit, but bang, they are still not in the range of being able to afford a house in, you know, a long way close to the cities of Melbourne and Sydney.

KNIGHT: But the Master Builders Association says that if your policies are introduced it will cost construction jobs, it will see a fall, a decline in the construction of new homes –

SHORTEN: No, they're wrong.

KNIGHT: And it will impact the property market?

SHORTEN: They're wrong. In fact, in Australia we have a housing gap. We need to build extra houses, half a million extra houses –

KNIGHT: So you won't be reassessing your policy on this in light of the fact that the forecast for the housing market is not –

SHORTEN: The Master Builders perhaps should be in the naughty corner because what they don't tell people is, for new housing, housing which hasn't been built, you'll still be able to negatively gear. So no, property is property, you can't print new land close to the cities. If you think that there is not a problem, go and speak to first home buyers. But the beauty of what we're also doing is that we're going to build more housing anyway, put some incentive for builders to build more. So we've got a plan for housing.

The bigger challenge with the budget is that domestic growth is anaemic. Do you know that in the last 21 times this government has made an official projection on wages growth, they've overstated it and it's come in low. The biggest problem in Australia at the moment is everything is going up except your wages and of course electricity prices, the problem that dare not speak its name, this government had nothing to say about electricity prices other than offering pensioners \$1.45 a week, one off for 12 months.

KNIGHT: So much of this budget and so much of this election is going to come down to trust. Who do voters trust. When it comes to economic management, the Government has got a very good strong selling point here saying that it's taken 12 years but they have got the economy back into black. When it comes to trust, they have an advantage over Labor don't they?

SHORTEN: Depends on what question you ask. Who do you trust to look after

big corporations and give tax cuts to the big end of town. Trust the Coalition. But who do you trust to run the economy in the interests of working and middle class people? We have a wages policy. We have had bigger, better, fairer tax cuts on the table. It's about who do you trust to manage the economy, in whose interests?

I make no apology of the fact that I want to have the best hospital system in the world, not the best tax loopholes in the world. I make no apology that I want, parents now getting their kids ready for school, you know, under Labor we are going to properly fund public schools. It's all about priorities. I would rather have a great quality education system, a great quality hospital and healthcare system, a great Medicare than having unsustainable tax loopholes at the top end of town.

KNIGHT: If people trust you though, you are consistently behind Prime Minister Scott Morrison in the polls as preferred leader, why don't people want to vote for you, Bill Shorten?

SHORTEN: Well you would understand the complexity of ratings, and you know that you've got to do is get up in the morning and do your job. What I know, is that I have a Fair Go plan. Frankly, this is a government, after six years, you've got to ask yourself, seriously, after six years, what are they going to magically do in the next six weeks that they couldn't do in the last six years? The cuts are still there to hospital and schools.

I have got a Fair Go plan, action on renewables which will drive lower electricity prices, a wages policy, making sure we restore funding to hospitals and schools to the promises that have been made in the past. This is our plan, managing the economy in the interests of working people.

It's all a bit cynical isn't it, though, the Government magically says everything will be alright, even though they actually say in the future we've got problems. And one little sting in the tail of this budget which I'm not going to let go of. Did you know that they promised to spend more money on Australians with disability, instead they have short-changed the disability scheme and put that back in to try and get a short-term boost in the polls, that's not on.

KNIGHT: Alright. Well we'll see how it resonates with voters soon enough, the election is looming. Bill Shorten we thank you for your time this morning.

SHORTEN: Thank you.

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