

# Interview with Alan Jones, 2GB

**ALAN JONES:**

Thank you for your time, very grateful. Now look, Scott Morrison several times last night said that we must live within our means and yet our total debt is rising by about \$5.3 million an hour. What seemed to get no attention at all last night was that on the very same day that he's brought the budget down he issued a direction to the Australian Office of Financial Management stipulating that the maximum face value of Commonwealth Government Securities that can be on issue, which is the debt ceiling is being lifted to \$600 billion. This is disguised in the papers with an acronym CGS securities – in fact it's not \$600 billion, it's \$649,000 million. People are saying to me I never thought I'd see the day when a Coalition Government would increase the debt ceiling \$600 billion – what do you say to that?

**PRIME MINISTER:**

Alan it is the consequence, the inevitable consequence of continuing to run deficits and we are doing everything we can to bring those deficits down and we are succeeding. As you can see we are heading to a surplus of \$7.4 billion in 20/21. A deficit but a much smaller deficit of several billion dollars the previous year –

**ALAN JONES:**

But if you were bringing the deficit down you wouldn't need to increase the debt ceiling. See I don't believe those figures – and I'm not having a shot at you.

**PRIME MINISTER:**

Well, no, Alan-

**ALAN JONES:**

I'm not having a shot at you here but I mean the Treasury have always been wrong in these estimates. I'm just looking at figures here from 2014-15. They said the deficit will be \$29.8 billion and it finished up at 37. They are very rubbery figures.

**PRIME MINISTER:**

Look, we live in an uncertain world, but I'd say this – over the years in different ways in business and so forth I've done plenty of projections and forecasts. The assumptions here are conservative-

**ALAN JONES:**

3 per cent growth?

**PRIME MINISTER:**

They're more conservative-

**ALAN JONES:**

When growth is now 1.75 per cent?

**PRIME MINISTER:**

They are more conservative than the Reserve Bank and the IMF – so they are relative. But can I just say something about debt – the critical figure to look at is net debt because obviously the Commonwealth, it has assets on the other side of the balance sheet so net debt is estimated in this year to be 19.5 per cent of GDP, \$355 billion. That is too high. That will rise into next year and then it will start to come down and that is because as we move back into surplus over this period – that's what we are doing-

**ALAN JONES:**

Can I just say to you simply, I mean you've been a businessman, you would not need to increase the debt ceiling to \$600 billion if you had debt under control. Now the trouble is that when Mr Rudd was Prime Minister – the Coalition belted him over the head – his debt ceiling was \$75 billion. Now the average annual increase in debt under Labor, average annual increase was \$36 billion a year. Under the Coalition it is \$60 billion a year. How do you stand up in the market place and say we are better economic managers than the other mob?

**PRIME MINISTER:**

But Alan – two things – firstly, as we know we have been running big deficits and we have made a lot of savings both in Tony's time and my time but we have not been able to get all of our savings through the Senate. That's plain. We can't be accused of not having a red hot go at it but we have to be realistic, we have to be responsible, we have to live within our means. Now as far as debt is concerned gross debt, that is the top line, it grows for several reasons. One – because of course you are running a deficit, you're running at a loss. Secondly because you're investing. And whether you're investing in, if you're investing in economic assets, whether it is physical assets like the NBN or whether it is in financial assets-

**ALAN JONES:**

The NBN. The NBN. You're losing money hand over fist!

**PRIME MINISTER:**

Well, the NBN is actually, look, I was a great critic of the way Labor went about it but as you know I sorted that mess out and we talked about it a lot and it is rolling out, it will be available to half of Australians by the middle of this year. That's actually a very big turnaround story – but it is not the theme of the budget from last night. So we should talk about this

very fair and responsible budget-

**ALAN JONES:**

(Laughter) Hang on. Out there they are worried sick about – they see you carting grandchildren around, those grandchildren can't articulate their concerns that the gross government debt when Tony Abbott became Prime Minister was \$274 billion. Since, under Abbott and Turnbull, over \$200 billion has been added to that debt. How can you say we are living, as Morrison says over and over again, we are living within our means? He said in the last budget speech last year, his words: "This is not a time to be splashing money around or increasing the tax burden on our economy for hardworking Australians and their families." And yet here we are on the day of the budget increasing the debt ceiling to \$649,000 million. It is worrying the tripe out of people!

**PRIME MINISTER:**

Well Alan, and it worries me too. That's why we've have to increase tax on the banks, as you know. And increase the Medicare levy from 2019 all part of our programme to bring the budget back into surplus. And when you bring it back into surplus and if you look at the table at 11-13 you can see there in 20/21 net debt starting to come down. And it will continue to come down as you run surpluses, it comes down every year.

**ALAN JONES:**

Prime Minister those figures are rubbery. I want to stick to the reality-

**PRIME MINISTER:**

They're not – Alan they're no more rubbery than any forecast, whether it's a forecast of the profitability of your radio station-

**ALAN JONES:**

No but I've told you how, why they're rubbery. In 2014/15 the Treasurer brought down the statement, Joe Hockey, that the deficit would be 29.8 billion, it finished up 37.9 billion. In 2013/14 Swan, still acting on the advice of the Treasury announced a deficit of 18 billion, it finished up at 43.7 billion.

My point to you is you've got to go out there in the public place and say we are better economic managers, well in Labor's last full year in power, net debt you mentioned we must talk about net debt, was ten per cent of GDP and interest payments were \$8.2 billion, ten per cent of GDP under the Abbott-Turnbull Governments the debt has soared to 18 per cent of GDP, not ten per cent, and the interest payments are not 8.2 billion but now 13 and a bit billion dollars.

**PRIME MINISTER:**

Yes, but Alan, you cannot turn the federal government around on a dime.

Now what happened was Labor baked in a lot of spending, they baked in a lot of spending which we had sought to pare back, we have had a lot of success actually but not enough. And that is why the deficits continue but we are getting them under control.

And you know you talk about forecast one year being this and then it being worse the next year. Here's the real deal, back in last year's budget we said the surplus in 20/21 would be several billion dollars, two billion dollars, as I recall in MYEFO just before Christmas we said it would be one, it's now going to be 7.4, why is that? Because we've taken the tough decisions – yes to cut costs but also to raise revenue. I mean at the end of the day-

**ALAN JONES:**

How much?

**PRIME MINISTER:**

And you know this, this proposition that about Liberal and Labor, you've worked as part of a Liberal Government you know the fundamental obligation we have is to make sure the economy is managed, the budget is balanced and we do that by both on the revenue and on the spending side.

**ALAN JONES:**

How much is that house at Point Piper worth, can we just put the rest of it on it? Cause I'll bet you, I'll bet you that house and I'll stick mine with it that you don't come into surplus in 20/21 as these figures say – I'll bet you. Because it can't be done.

Can I just come to this education thing? Last year-

**PRIME MINISTER:**

That's a big bet Alan.

**ALAN JONES:**

Yeah big bet. We'll both go broke at the same time.

**PRIME MINISTER:**

Well if we're talking with our old mate Kerry Packer, our late friend he would have doubled that. But neither of us are gamblers so we'll stay out of it.

**ALAN JONES:**

Now listen, I gave you a big wrap last year because you stood up at question time to the Labor Party in February it was, and you leant upon, across the despatch box, you pointed to Bill Shorten and you said "Spending" and you're angry "Spending more money doesn't necessarily get you better outcomes", this is about education, "we won't promise the money first and then seek to

negotiate the outcomes later” that’s what you said. And now you are tipping \$18.6 billion, which I might add you didn’t discuss with your party, but you’re dudding the Catholic Schools and Birmingham continues to not listen to the Catholics, and this has created an enormous political storm.

Yet there are research papers everywhere – I quoted this morning, Professor Eric Hanushek from US called *Production and Efficiency in Public Schools* – “there appears to be no strong or systematic relationship between school expenditure and student performance”. You said that last year now, hello, Gonski’s become the article of faith, some kind of religious relic, and now you are embracing – truly 18.6 billion, what are you doing?

**PRIME MINISTER:**

He’s very much alive I think it’s-

**ALAN JONES:**

But what are you doing? You said that last year in question time.

**PRIME MINISTER:**

Alan the headmaster of your old school – King’s School – Tim Hawkes welcomed this because it is fair-

**ALAN JONES:**

I know because he is going to get more money, he’s getting more money.

**PRIME MINISTER:**

Alan you know as well as I do –

**ALAN JONES:**

He’s getting more money.

**PRIME MINISTER:**

You know as well as I do –

**ALAN JONES:**

4,000 per person to 6,000.

**PRIME MINISTER:**

You know as well as I do, you are a former teacher, an old chalkie –

**ALAN JONES:**

That’s not –

**PRIME MINISTER:**

Now hang on, listen –

**ALAN JONES:**

Don't try and soften me up. You said to me, we won't promise the money –

**PRIME MINISTER:**

No I'm not, I'm telling the truth Alan. You know that the charisma of the teacher is the most important element.

**ALAN JONES:**

Of course. You're chucking money at it.

**PRIME MINISTER:**

Of course it is. So we need to have two things. You've got to have money, and you've got to have the system of values to ensure that you get quality education. We're delivering both. We're delivering it nationally. We're delivering it on a needs-based basis. As Tim Hawkes said from your old school, he said: "This is right, this is fair, this is just." We're doing that, we're delivering it. We will ensure that having done that and made that commitment to fair, needs-based funding – and every part of the school system is getting more money, including the Catholics, including the Catholics, everyone is getting more money – but we'll be also getting better results for our kids and grandkids.

**ALAN JONES:**

Okay, let me just make a couple of points because I'm not too sure you've been properly briefed on this either. They're going to get more money by 2027. No one is arguing about that.

**PRIME MINISTER:**

They're going to get more money every year.

**ALAN JONES:**

No they're not, they're getting about \$2.2 billion over the forward estimates. They're –

**PRIME MINISTER:**

Well that's more money Alan.

**ALAN JONES:**

But hang on, hang on, we'll be short of money that we were guaranteed. Therefore, we'll either have to stack up fees or, close the school down. But I think this whole thing –

**PRIME MINISTER:**

That's simply not – Alan, I've got to correct you there.

**ALAN JONES:**

The Catholics are saying this.

**PRIME MINISTER:**

They're getting more money. They're getting much more money than they would have got under the budget a few years ago. They're getting more money than they would have got under last year's budget, which they welcomed and said was fantastic. The important thing is that they are getting more money into their system. How they allocate it is a matter for them, right? But the way it works is it's needs-based, it's consistent and it's national. We should be funding non-government schools on the same basis whether they are Catholic, Protestant, or whatever. Surely.

**ALAN JONES:**

There's a question mark as to whether you should be subsidising inefficient governments in South Australia, Victoria and Queensland, for whom public education is their responsibility. They go broke and they waste money and taxpayers in Canberra then, are forced to tip in and make up the difference. But I just think the Gonski formula, Gonski has said, which I think is a completely false promise; funding arrangements, Gonski says, from the original report, should be aimed at achieving an internationally competitive high standard of schooling, where outcomes are not determined by socio-economic status. That's what he says; where outcomes are not determined by socio-economic status. We need a debate.

**PRIME MINISTER:**

Why would you argue with that?

**ALAN JONES:**

Well I am arguing with that.

**PRIME MINISTER:**

That is a very noble aspiration, surely.

**ALAN JONES:**

Well let me tell you, I will argue with it because there's any amount of evidence that children from professional families hear an average 2,000 words an hour. Children from working class families hear an average of 1,000 words an hour. This is research. Children on welfare hear 600 words an hour. So when these kids get to school, there's a wide disparity in their starting points. But Gonski says the funding is not determined by socio-economic status.

**PRIME MINISTER:**

No, no, Alan with great respect you've misunderstood what he's saying is – in fact, he's saying exactly what you said. What he's saying is, that where you've got kids from lower socio-economic groups, where they're not getting the same amount of education at home from their parents, that's where you need more resources in the schools. You know this as a school teacher. You know this Alan – you have been there. You have put in the extra effort with the kids from more challenged backgrounds. You know they need more effort. That's the point that David Gonski's making.

**ALAN JONES:**

Okay. Look we're running out of time but now look. One final comment, do you understand out there that they're saying: 'How the hell can you be fighting debt when you're raising the debt ceiling to 649,000 –

**PRIME MINISTER:**

Alan we're raising it in the short term until we bring the debt, deficit back.

**ALAN JONES:**

Okay, well–

**PRIME MINISTER:**

But can I make one point Alan–

**ALAN JONES:**

I have to cut you off, no I've got to go to the news.

(Laughter)

**PRIME MINISTER:**

Alright well you go to the news, we'll talk all the investments in nation building infrastructure next time.

**ALAN JONES:**

We will. Next time, good on you.

**PRIME MINISTER:**

Good on you.

**[ENDS]**

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# National anthem law calls for respect

People will have to think twice before setting China's national anthem as a ring tone, since the behavior could violate a law being drafted that standardizes the song's uses.

The proposed law will be submitted for an initial reading in June.

Due to the lack of legal restraints, there are some occasions when the national anthem is not solemnly played.

In recent years during the annual two sessions, some deputies to the National People's Congress (NPC) and members of the National Committee of the Chinese People's Political Consultative Conference (CPPCC) have made proposals and suggestions about drafting a law regarding the national anthem.

Yu Hai, a CPPCC National Committee member and former head of the military band of the Chinese People's Liberation Army, has for 10 consecutive years submitted a proposal to draft a national anthem law.

"The national anthem is the symbol of our country's voice, which should be protected by law," Yu said.

The national anthem should not be abused by being played as entertainment or at business events such as weddings, funerals, dance parties and vulgar celebrations. And on major occasions, the attendees who keep playing or are not properly dressed when the national anthem is played will be held liable.

Setting the national anthem as a ring tone and tampering with the lyrics of the song will be punishable. The law also covers playing the song not reverently.

Some Chinese internet users worry about whether they will break the law if they cannot sing the song well since they are tone-deaf.

This is a misunderstanding, Yu said.

"The national anthem legislation urges that the song should be played solemnly on formal occasions to show respect to the Chinese nation. Besides, only the approved national anthem can be played in public since there are many versions of it. And on important occasions, attendees shall pay respect to the song. So whether one can sing the song well or not doesn't result in breaking the law," Yu said.

China is not the first country to draft laws about national anthem. Some foreign countries and regions including Russia, Canada and Malaysia, have made specific laws about their national anthems, while some other countries and regions, including Japan, Singapore, Myanmar and the Philippines, have made laws regarding their national flags, national emblems and national anthems.

The national anthem is March of the Volunteers, with lyrics by poet Tian Han (1898-1968) and music composed by Nie Er (1912-1935).

Authorities issued a regulation on proper etiquette for the national anthem in 2014, banning the song from being performed at weddings, funerals and entertainments, such as balls or other non-political functions.

Respectively in 1990 and 1991, China adopted laws covering etiquette regarding its national flag and national emblem.

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## [Li stresses reform, innovation to support development](#)

Chinese Premier Li Keqiang has stressed administrative reform and industrial innovation to attract investment and boost the country's economic development.

Li made the remarks during an inspection tour on Monday and Tuesday to central China's Henan Province, where a pilot free trade zone (FTZ) was set up on April 1, 2017.

Visiting a part of the FTZ in Kaifeng city, Li praised local efforts to streamline business registration that shortened the time needed for registering a company from more than 50 working days to only a few.

Li said amid increasingly fierce market competition, local governments should reduce institutional transactions costs, delegate powers and improve regulations and services.

"In this way, they will be able to attract more investors and people will be more willing to start businesses and make innovations," Li said.

In a visit to Zoomlion Heavy Industry Science & Technology Co., Li urged the company to seize the opportunity of the country's "Made-in-China 2025" drive to upgrade the manufacturing sector.

The company should value innovation and craftsmanship and work on core technology for important equipment, the premier said.

In electronics manufacturer Foxconn's Zhengzhou technology park, Li said that China is still a magnet for overseas investment, and investors should set up both production bases and research centers in China to realize win-win development.

Li also went to a floodplain in the lower reaches of the Yellow River, home to about 2 million people from Henan and Shandong provinces, and met with local authorities on poverty alleviation through relocation.

Relocation is necessary for both the safety of regions along the Yellow River and for helping residents in the region out of poverty, Li said.

Local authorities should complete relocation of people from low-lying and extremely dangerous areas within three years, he added.

The premier also underlined the restoration of ancient cities, saying that cultural relics should be protected.

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## **China targets crimes related to 'silk road' rail lines**

China's top procuratorate has declared war against crimes related to international freight and passenger railway services along the Silk Road Economic Belt.

Smuggling and human trafficking by international trains and crimes endangering railway safety were highlighted in a guideline issued by the railway division of the Supreme People's Procuratorate on Tuesday.

China now has express freight services to 28 European cities.

Procuratorial organs will also exert more strength in investigations into cases regarding the erosion of state assets in overseas railway projects, the guideline said.

The Belt and Road Initiative is China-proposed trade and infrastructure plan connecting Asia with Europe and Africa.

China will host the Belt and Road Forum for International Cooperation on May 14 and 15.

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## **Medical schools launch organ donation, transplant courses**

China performs the world's second largest number of organ transplants, but a shortage of qualified transplant doctors is impeding progress. Now the country has sped up training of doctors, with the help from the international community.

Seven Chinese universities will conduct postgraduate training in organ donation and transplants this year.

The laKeTLOD (Knowledge transfer and leadership in organ donation from Europe to China) is co-founded by the European Commission and Chinese universities. Launched Tuesday at Shanghai Jiaotong University, laKeTLOD expects to enroll 20 postgraduate students in a course on organ donation and transplants this autumn.

Specialists from three universities in France, Italy and Spain will offer training in accordance with European guidelines.

Twenty-two Chinese doctors have already been through a three-month online course and will be in Spain from May 21 for a week of further training. They will then offer courses on what they have learned to 140 healthcare postgraduates over two years in universities in Beijing, Kunming, Nanchang, Nanning, Shanghai and Wuhan.

Marti Manyalich, President of Spain's Donation and Transplantation Institute (DTI), said at the launch that training is not just about sharing knowledge, but about transferring the course to China, adapted to local needs and delivered in Chinese.

"Seven universities are not enough. We must train more Chinese professionals in the next decades," said Manyalich.

Spain has more organ donations per capita than any other country. It has been at the forefront of training on the subject for thousands of healthcare professionals worldwide since the 1990s.

China has the largest number of organ donations per year in Asia, and the second number of organ transplants globally after the U.S., but lags far behind on a per capita basis.

"But China is changing," said Francis Delmonico, representative of the World Health Organization and former president of the Transplantation Society.

Organ donation is a challenge in China due to lack of training and health professionals, said Wang Qian, Dean of International Cooperation Office of China's Capital Medical University, one of the participants in laKeTLOD.

Currently, 169 Chinese hospitals can perform transplants with the number expected to reach 300 in the next five years.

"We are waiting for the Chinese versions of textbooks and more medical specialists to join the program," said Chen Xiaosong, who will teach the course at Shanghai Jiaotong University.