



Campaign Transcript

ASSISTANT TREASURER

TRANSCRIPT OF ASSISTANT TREASURER, SENATOR NICK SHERRY
ABC2 News Breakfast
Virginia Trioli and Michael Rowland
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E & O E – PROOF ONLY

Subjects: Poll results, Labor's economic record, Henry Tax Review, Schools

VIRGINIA TRIOLI: Now, today's poll results would come as welcome news for the ALP, which is trying to move on from a bad couple of weeks on the campaign trail. Today, Julia Gillard hopes to focus on schools with a plan to pay cash bonuses to schools that show they're improving students' attendance and results.

Nick Sherry is the Assistant Treasurer and he joins us now in the studio.

Nick Sherry, thanks for joining us.

NICK SHERRY: Good morning; good morning to your viewers.

VIRGINIA TRIOLI: First of all, let's start on those two poll results out today. Interesting two-party preferred figure there, but when it comes to Labor's primary vote, it's still down below where some pollsters always say, that's the danger zone.

NICK SHERRY: Well, look, I'll leave you to comment on the polls. I've seen many in my political life, they come and go; and the important poll is on election day. And the closer we get to the election, I think the more and more Australians will see Mr Abbot is a risk to our strong economy and a risk to our education, our health systems and the modernisation that we plan for our economy and in those areas.

MICHAEL ROWLAND: You are - you're a seasoned political pro, though; can any party win with a primary vote below 40 per cent...

NICK SHERRY: Well, you can commentate on the polls, we're just focused on exposing Mr Abbott's risk to the Australian economy, the unplugging of national broadband, and his risk to health and education. They're the issues we're focused on, and the closer we get to the polls - slightly less than two weeks away - we believe that those fundamental failures of Mr Abbott will be more and more exposed.

VIRGINIA TRIOLI: So is that where the fight's going to come down to now, in the last two weeks, for you? Will it be on the economy, on who actually, as the old saying used to go in John Howard's time, who you can trust more to deal with that?

NICK SHERRY: Well, look at our record. We've got one of the strongest economies in the advanced economic world. We've got the lowest level of debt and deficit, we move back into surplus in three years time, three years early.

And, you know, look at the spendathon that Mr Abbott's engaged on; \$26 billion, \$27 billion worth of promises, many of them not properly costed and many of them inaccurately costed, and almost none of them put in for the Charter of Budget Honesty to assess. He's a risk to our economy.

VIRGINIA TRIOLI: Why has it taken you so long to actually get on the front foot on this...

NICK SHERRY: Well...

VIRGINIA TRIOLI: ... and start arguing your record?

NICK SHERRY: Well, we had been t... we have been talking, not just about our record, about keeping our economy strong in the most difficult times...

VIRGINIA TRIOLI: No, I disagree. Sitting in this seat, I don't think you have actually made that the...

NICK SHERRY: Well, what...

VIRGINIA TRIOLI: ... the focus of the campaign.

NICK SHERRY: Well, what you've been focusing on, I mean, I and my colleagues and the Prime Minister and Wayne today at the economic debate, we've been focusing on keeping our economy strong, making it stronger, fundamental for... reforms in health and education, moving our economy forward, national broadband; I mean, that's a fundamental communications improvement and it's strengthening our economy. That's where we're going to keep the focus.

MICHAEL ROWLAND: So can you safely say the distractions from leaders past are now over for Labor?

NICK SHERRY: There are always colourful events, and I notice we've seen past leaders on both sides; Malcolm Fraser was out last week, Mr Howard was out last week and wants to bring back WorkChoices with Mr Abbott. I mean, you know, what's interesting about this focus on leadership is that the Liberal Party has had three changes in leader in less than three years. I mean, they've been the revolving door of Australian politics if they want to talk about leadership.

MICHAEL ROWLAND: But they're a united force when it counts...

NICK SHERRY: Well...

MICHAEL ROWLAND: ... two weeks before the election.

NICK SHERRY: Well, how are they? They've had three leaders in less than three years. As I say, you'd be hard pressed to find any political party in any democracy in the world in the last three years that's been as unstable as the Liberal Party. It's been a revolving door.

VIRGINIA TRIOLI: Well, when we talk about who can be trusted on the economy and whose economic policy is going to be more credible, interestingly at the Coalition Party launch yesterday in Brisbane, the Coalition Leader Tony Abbott said that when it comes to tax reform, to major reform that that - in government they will embrace the Henry review and more to the point, he'll publish the internal modelling for reform options, which is something that the Labor Government has so far refused to do.

Why have you not published that? And doesn't that necessarily put Tony Abbott ahead of you when it comes to the bigger reforms that this country needs?

NICK SHERRY: Well, what Tony Abbott promised yesterday was a review of the review. Where are the specifics? We've got one specific on tax from him at this election, and that is

the increase in company tax, and extraordinarily, decreasing company tax at the same time - the increase in company tax to pay for parental leave. That's their only reform; and increasing tax on Woollies and Coles...

VIRGINIA TRIOLI: Well, that's...

NICK SHERRY: We put forward...

VIRGINIA TRIOLI: B... well, that's wha...

NICK SHERRY: ... a comprehensive package...

VIRGINIA TRIOLI: Well, that's one element, but the rest of it actually goes to the great complexities that Henry - that you actually asked Henry to look at - Ken Henry - and that he did, and haven't done anything about.

NICK SHERRY: Yes... but Mr Abbott has presented one change to the tax system that I've just mentioned. We've outlined a comp...

VIRGINIA TRIOLI: Well, that's the beginning.

NICK SHERRY: Where's the detail? He's promising a review of a review. We've outlined a comprehensive package. Sure, the issue of the mining - the mining resource rent tax, but we're going to improve superannuation, reduce the tax on it for low and low-middle income earners, and we're going to reduce company tax, we're going to incr... introduce a new minimum standard tax deduction and we're going to improve the depreciation write-off from a thousand dollars to \$5000. And last week I announced we're going to introduce a private sector type oversight board of the tax office and the way it operates.

We've outlined some very comprehensive tax reform. Where's his reform? It's a review of a review.

MICHAEL ROWLAND: Will you revisit Henry though, as Tony Abbott's clearly saying he'll do if the Coalition wins?

NICK SHERRY: Well, he won't say in what detail. It's a review of a review.

VIRGINIA TRIOLI: No, the question's for you...

NICK SHERRY: We...

VIRGINIA TRIOLI: ... will you revisit...

NICK SHERRY: We have outlined our tax agenda...

MICHAEL ROWLAND: Oh, yeah, and we know your plans

NICK SHERRY: ... for the next...

MICHAEL ROWLAND: ... but will you go back...

NICK SHERRY: ... three years.

MICHAEL ROWLAND: ... to have another look at Henry and the myriad other proposals that you rejected before the election?

NICK SHERRY: We - well, those proposals we out... that we outlined that we would not acc... would not adopt, that is clear we're not going to revisit those. We've outlined our clear agenda for reform on company tax, mining tax, improvements - reduction of company tax, superannuation.

It's a very comprehensive package we've outlined. We've outlined the detail. Where is Mr Abbott's detail?

VIRGINIA TRIOLI: Now, the Territory branch of the Australian Education Union has this morning slammed that proposal made by the government to ban children from playing sport if they skip school. That's something that's been said by the Prime Minister Julia Gillard; she's promised to implement that policy if re-elected.

The Education Union there in the Territory saying that's simply going to put children at risk in a terrible position and they'll think, well, we'll bail out of the lot if we can't even do the one thing that we love, which is playing sport.

Are you really going to stick with that in places like the Territory?

NICK SHERRY: Well, we are going to stick with it because it's good sound policy for kids. And we're not going to be...

VIRGINIA TRIOLI: And if kids slip through the system, you'll own the consequences of that?

NICK SHERRY: We're not going to be dictated to and told what to do by the Education Union. And the Prime Minister, when she was education minister, showed very, very clearly with the My School and publishing the outcomes and the results at schools, we're not going to be told what to do by the Education Union.

VIRGINIA TRIOLI: Oh, so the kids here are becoming pawns in a battle of Julia Gillard's to try and show that she's tough against the unions, are they?

NICK SHERRY: No, it's a matter of...

VIRGINIA TRIOLI: You've got people here telling you that you've got children at risk who actually might slip through the system if the one thing they love doing in life - playing sport - they're banned from doing. You're not taking that seriously.

NICK SHERRY: We believe it's good - well, we're taking it very seriously, that's why Julia, as Prime Minister, later today and in her - in the past when she was education minister, has outlined education reforms that are good for kids, strengthening our education system, delivering better results for kids, and we're not going to be dictated to or told, in this case, by the Education Union what to do.

We believe our reforms are good for the economy, good for the country, and most importantly of all, good for students.

VIRGINIA TRIOLI: Nick Sherry, you're not listening; you're just simply sticking to the message, you're not listening to a serious...

NICK SHERRY: But...

VIRGINIA TRIOLI: ... warning that people are giving you.

NICK SHERRY: I - we've already made clear the Education Union doesn't tell us what to do. We will act in education in the best interest of the country and the kids themselves. And

that's what Julia has very, very strongly outlined when she was education minister and what she will outline again later today.

VIRGINIA TRIOLI: Nick Sherry, good to have you on board. Thanks so much.

NICK SHERRY: Good morning; good morning to your viewers.

VIRGINIA TRIOLI: Thank you.

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