

**From:** "Lehrmann, Bruce MR" <bruce.lehrmann@defence.gov.au>  
**Sent:** Sat, 23 Mar 2019 10:53:24 +1100 (AEDT)  
**To:** "Higgins, Brittany MS" <brittany.higgins@defence.gov.au>  
**Subject:** Fwd: daclips Saturday 23 March 2019  
**Attachments:** ATT00001.htm;DACLIPS 23 March 2019.docx

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Sent from my iPhone

Begin forwarded message:

**From:** David Allender <[REDACTED]>  
**Date:** 23 March 2019 at 5:50:22 am AEDT  
**To:** David Allender <[REDACTED]>  
**Subject:** daclips Saturday 23 March 2019

Good morning, early news clips for Saturday 23 March 2019 attached.

David.

**FRONT PAGES**

**<http://report.mediaportal.com/2361d9427491ced6e4407475493318cb/MonitorReport-46165904-2934-4.pdf>**

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**AUSTRALIAN**

# THE WEEKEND AUSTRALIAN

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MARCH 23-24, 2019 \$3.00

**MAGAZINE**  
**ART OUT OF CHAOS**  
When Vincent Fontana starts to paint, anxiety melts away

**CAROLINE OVERINGTON**  
The magnificent shot that changed the way we see women's sport

**REVIEW**  
**TIM BURTON'S RIFF ON DUMBO**

INDUSTRY LEADERS STEER MULTI-MILLION-DOLLAR OVERHAUL OF 'BRAND AUSTRALIA'

## Nation's image makeover

**EXCLUSIVE**  
SUE PERKINS  
SUE PERKINS

A high-profile industry annual working to boost Australia's image overseas is to create an approach to the nation's branding that will see it in a "handmade" style, with a focus on people behind a new identity.



Left to right: Brown, Joyce, Erskov and Cussen-Brookes

It has changed to focus on the individual, competing against the global market. The new branding will be a "handmade" style, with a focus on people behind a new identity.

That makes it more inclusive, e.g. non-famous people, higher quality, more inclusive representation. "We think we're creating a new identity, one that is more inclusive and more representative of the country's diversity."

## Coalition minority likely in close poll

**EXCLUSIVE**  
SUE PERKINS  
SUE PERKINS

It is not the first time these strengths and weaknesses have been pointed out, but, on several occasions, Australia's political landscape has been analysed.

"We need to do better," Mr Brown said before a news conference, including Quentin Bryce.

## Shorten: I won't be union handmaiden

**EXCLUSIVE**  
SUE PERKINS  
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Mr Shorten has promised to work on a separate and constructive basis with business, challenging the way it has been seen in a "handmade" style, with a focus on people behind a new identity.

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## Hugh's dad knew best, but Winx got nod

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## Gunman's dark world of misfits and voyeurs

**EXCLUSIVE**  
SUE PERKINS  
SUE PERKINS

The gunman's manifesto displays a dark character type that is an exact mirror of the misfits and voyeurs of the 1980s and 1990s.

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## NSW Election

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## Newspoll: Boost for Coalition as voters turn back Andrew Clennell



NSW ELECTION  
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Gladys Berejiklian appears poised to become the first popularly elected female premier in NSW history after the Coalition seized a 51-49 per cent two-party--preferred lead on the eve of Saturday's election in a special NSW Newspan for *The Weekend Australian*.

The statewide result, the Coalition's best Newspan in two years, represents a 3.3 per cent swing away from the government compared with its 2015 election result — enough, if uniform, to see Ms Berejiklian lose six seats and slip into minority government.

In that circumstance, Ms Berejiklian would need just one independent's support from a nine- or 10-person crossbench to form government.

However, in a concerning development for the Coalition, the Newspan finds it is facing a dramatic loss of support outside Sydney, with a 6 per cent slump in primary-vote support to 39 per cent.

On a two-party-preferred basis, the swing away from the government in country areas is 4.4 per cent, deadlocking it with Labor at 50-50.

Both leaders also face a high rate of uncertainty towards them. While Ms Berejiklian leads Labor leader Michael Daley 43-35 in the better premier stakes, 22 per cent of voters remained uncommitted.

However, the poll will boost Ms Berejiklian, with the Coalition moving up one point to 51 per cent in two-party-preferred terms from the 50-50 result 12 days ago.

The rise in Coalition support comes after a horror week for Mr Daley in which a video of him making anti-Asian immigration comments was released and he could not name the cost of his main education policy at a Sky News People's Forum.

Mr Daley's satisfaction rating dropped five points (from 37 to 32) and his disapproval rating rose nine points (from 38 per cent to 47), while 21 per cent of voters were uncommitted.

The bad week has also hurt Labor's primary vote, now at 35 per cent (down one and just 1 per cent greater than former leader Luke Foley's 2015 election vote).

Opposition Leader Michael Daley receives a kiss from local Louise Hollier on the hustings yesterday.

Crucially, three independents, Greg Piper, Joe McGirr and Alex Greenwich, told *The Weekend Australian* last month that they were likely to support whichever side won more than 50 per cent of the two-party-preferred vote in a minority government situation.

The Coalition's statewide primary vote is up one to 41 per cent, with the Greens steady at 10 per cent and "others", which includes independents, One Nation and the Shooters, Fishers and Farmers party, also steady at 14.

While the Coalition's vote has slumped outside Sydney, the votes appear to have gone to minor parties.

The six-point fall in the Coalition's primary vote to just 39 per cent outside Sydney went mostly to "others", who are now on 18 per cent and up 5.8 per cent.

Labor's primary vote was 34, up 0.7 per cent while the Greens were on nine, down 0.5 per cent from the 2015 election.

The Coalition still faces a swing away from it in Sydney but it is not as severe. In Sydney, it leads Labor 52-48 on a two-party-preferred basis, a 2.3 per cent swing from the 2015 election.

The Coalition's primary vote in Sydney is 43 (down 3.1 since 2015) compared with Labor's 36 (up 1.5), Greens 10 and others 11.

The Daley gaffes this week have helped Ms Berejiklian slightly in the better premier stakes.

She rose two points to 43 per cent against Mr Daley's 35 per cent, up one point.

Ms Berejiklian's push that the Coalition would be stronger for the economy appears to have worked, with 26 per cent of voters saying that was the most important issue, followed by health (21), infrastructure and planning (20), the environment (17) and law and order (8).

While the Coalition nominated the economy (37) and infrastructure and planning (23) as the most important issues, Labor voters nominated health first at 30 per cent, the economy (21) and then the environment (20).

Mr Daley has been keen to campaign on the issue of climate change.

Political observers in Macquarie Street were on Friday tipping four-to-eight-seat losses by the Coalition but three seats in the bush may go to the Greens (Lismore), the Shooters (Barwon) and an independent (Coffs Harbour).

Labor is chasing wins in Coogee (expected to go), East Hills (which Ms Berejiklian has visited several times), Penrith, Goulburn and Tweed.

If all eight seats were lost, Labor might be about one seat away from forming minority government.

Marginal seats the government is expected to retain include Upper Hunter and Deputy Premier John Barilaro's seat of Monaro.

Labor was also concerned about the Strathfield seat of its transport spokeswoman Jodi McKay after Mr Daley's Asian immigration comments.

In February-March 2017, Ms Berejiklian, who had replaced Mike Baird as premier that January, had her government sitting at 51-49 in the Newspoll against then Labor leader Luke Foley.

That was the same figure Mr Baird recorded in November-December 2016, after the Coalition dropped from 56 per cent when it banned the greyhound racing industry (later overturned).

The Berejiklian government's vote then dropped to 50-50 in February-March last year and she recorded the same result in January 25-29 and March 8-11 before this lift.

The fact much of the Liberal vote is locked up in the north shore of Sydney has traditionally meant the Coalition needs more than 50 per cent of the two-party--preferred vote to form a majority.

In 1995, then Liberal premier John Fahey lost office by one seat, despite recording 51.18 per cent of the two-party-preferred vote.

Ms Berejiklian is the second female premier in NSW after Labor's Kristina Keneally, but Ms Keneally never won an election.

### **Bill Shorten: I won't be union handmaiden**

Troy Bramston

Bill Shorten has promised to work co-operatively and constructively with business, pledging that he will not be a "handmaiden" for trade unions if Labor wins the federal election in May.

In a rare sit-down newspaper interview, the Opposition Leader said he had strong pro-business policies and rejected criticism from lobby groups that he propagates class warfare or subscribes to the politics of envy.

"They're wrong," Mr Shorten told *The Weekend Australian*. "I talk to hundreds of businesses. I can't open the door without business people wanting to come to talk to me, and they're not all of that mind. We've got some very good initiatives for business."

He outlined a range of policies that he said had attracted strong business support, especially from small and medium-sized enterprises, such as matching the government's corporate tax cuts, boosting apprenticeships, accelerated tax deductions for investment, backing new mining exploration and providing certainty with a new energy and climate change policy.

"It's an exciting time for business and we are going to work with them," Mr Shorten said. "What I'm not going to do is say that when corporate profits have risen but wages have hardly moved that that is a satisfactory state of affairs."

He made no apology for his union background and said he had been upfront with voters about his workplace policies, such as introducing a living wage, reinstating penalty rates, returning to limited pattern bargaining, cracking down on “dodgy” work visas and increasing penalties for wage theft.

“I’ve never hidden the fact that I’m a member of a trade union,” he said. “But I’ll be very clear because the government loves to muddy this water. To borrow from R.J. Hawke, I will work with all sectors, but I’ll be a handmaiden to none.”

Mr Shorten has opposed the ACTU’s push for union leaders to use their positions on industry superannuation fund boards to force companies to improve employee wages and conditions, insisting that trustees must act in the interests of fund members.

Mr Shorten said he wanted to be a prime minister who unified the nation, and that meant working with business, unions and community groups in the national interest. He added that he wanted to get employer and union representatives together to discuss how to lift wages and productivity.

“This nation works best when we work together,” he said. “My whole track record is to bring people together. I did it at the Australian Workers Union.

“I did it in my enterprise bargaining. I did it with the National Disability Insurance Scheme. I’ve done it with the Labor Party.”

While Labor has not outlined the finer details of its climate change or workplace relations policies, or the date its changes to negative gearing and capital gains tax will start, Mr Shorten said they would be provided before the election.

“Listen, I don’t accept that we are a blank sheet of paper,” he said. “To be fair, though, we’ve outlined more policies in more detail than anyone in a couple of generations.”

He did not support Kevin Rudd’s proposed royal commission into News Corporation, publisher of *The Weekend Australian*. He said there should be more competition in the media sector, strongly backed the ABC and did not rule out regulating Twitter and Facebook to curb hate speech.

Mr Shorten also spoke about what he had learned after 5½ years as Opposition Leader and how he would approach the prime ministership.

“I’ve learnt that the best training ground to become prime minister of Australia is to be leader of the opposition because it tests you. You get examined, you get scrutinised,” he said. “I’ve visited all parts of Australia from the Top End to the bottom, east to west, and everywhere in between just about. I’ve spoken to literally hundreds of thousands of people.

“What I discovered along the way is that you can concentrate on the destination but the journey is part of the lesson, it’s part of the experience. I’ve learnt a lot about myself. I’m an inclusive leader and respectful of my colleagues.

“These days I listen a lot more than I talk. When I make a decision, I stick to it.”

### **Editorial - Labor leader is winding clock back to the future**

Bill Shorten has chosen his political mentors well. Bob Hawke, Paul Keating and Bill Kelty are Labor’s giants of pragmatism and long-range vision.

When all is said and done, this trio of reformers was able to strike a winning balance between the interests of capital and labour.

Their genius was to pursue bold policies in the national interest — exposing the economy to competition, broadening its base, improving its flexibility, raising the pool of savings — while lifting living standards, wealth and opportunities for working people.

After the debacle of Gough Whitlam — who, Paul Kelly once wrote, embodied “the 1960s grandest delusion: that continuous prosperity was Australia’s destiny and that politics was about the distribution of wealth, not its creation” — from 1983 to 1996 Labor showed it could be trusted to grow the pie.

In an interview with Troy Bramston today, the Opposition Leader winds back the clock in describing how he would run his government if Labor wins the coming election.

Mr Shorten intends to channel Mr Hawke’s “consensus and connection with the electorate” and Mr Keating’s “forensic advocacy” of policy.

They are excellent models of action. So far, however, voters have failed to connect with him.

Mr Shorten is known as an exponent of slogans and “zingers” rather than as a policy wonk.

Mr Shorten, a minister in the governments of Julia Gillard and Kevin Rudd Mark II, has seen disunity up close — and has been a catalyst for, and beneficiary of, internal dysfunction.

Since becoming ALP leader in October 2013, Mr Shorten has held off leadership rival Anthony Albanese and kept the show together.

“If you can’t manage your party, you can’t manage the government and you can’t manage the nation,” Mr Shorten says, adding that as dealmaker-in-chief he would find mutual value, build coalitions and work closely with business. That’s the spirit of the 1980s Accords, which helped to limit wages growth and create a boom in employment. Mr Shorten presents as a transactional leader. Sticking to deals builds trust, he says.



Thus Mr Shorten consults, is an attentive chair of shadow cabinet, resolves factional disputes and seeks common ground.

In his pitch to readers of this newspaper, Mr Shorten vowed not to be a “handmaiden” for unions. Yet two weeks ago, the Labor leader began pushing, in lock-step with ACTU boss Sally McManus, the unions’ living wage campaign.

He declared the election would be a referendum on wages, said the labour market’s price signals no longer worked.

Last week, Mr Shorten railed against “fat cat” employers and the Big End of Town. Sometimes Mr Shorten sounds like “Consensus Bill” Hawke, and then, as the audience changes, he shifts to speaking like “Class Warrior Bill” McManus.

To his and Labor’s credit, Mr Shorten has laid out many positions ahead of the campaign.

While they do not yet amount to something as radical or comprehensive as the Coalition’s Fightback package of 1993, it is a big improvement on Kevin07’s cosmetic, “my turn” shuffle into office on what proved to be an empty policy kit bag.

Mr Shorten wants to, even believes he can, fundamentally change the country. “I’m not just fighting the government,” he tells Bramston, making the case for a transformational leadership. “I’m fighting the sense of disillusionment within Australian society that politics can’t change anything, it’s just a toxic swamp, and that’s why I want to put forward positive ideas.”

Mr Shorten is setting a high rhetorical bar. Is this vanity, with Labor riding high in the polls? Can he actually meet the expectations he is raising?

Mr Shorten is a consummate player in our power politics, a fixer. Perhaps only an insider can reform the system.

In any case, there are big questions the Labor leader needs to address on key policies, such as the start date for curbs on negative gearing and capital gains tax, the full cost of the party’s carbon emissions plan and use of Kyoto carry-over permits, and the fine details of how it would change the industrial laws to secure the living wage for the lowest paid.

Will Mr Shorten govern for all Australians, as he claims? Or has Labor decided groups, such as self-funded seniors or small-business owners, are worth sacrificing?

If Mr Shorten wants to secure a strong mandate he will need to be forensic like Mr Keating and fill in policy gaps.

Mr Shorten claims he will be activist and interventionist, ambitious and inclusive.

If he has correctly read the national mood — and polls say yes — Mr Shorten will be prime minister: “If I win the election I’ll even have more authority than I do now, not less.”

As Mr Shorten's mentors proved, real authority comes not just from winning but by matching words with actions.

### **Budget 2019: \$600m boost to target corporate misconduct**

Simon Benson

A new criminal division of the Federal Court will be established to try cases exclusively against banking executives and institutional misconduct as part of a \$600 million funding boost to regulators in response to recommendations of the banking royal commission.

In a move to expedite prosecutions currently brought in state jurisdictions, the Morrison government plans to expand the reach of the Federal Court from hearing civil cases to include criminal prosecutions of the corporate sector.

With an expected spike in the number of charges to flow from the findings of the Hayne royal commission, Josh Frydenberg said it was the only way to ensure justice was delivered "swiftly".

The Treasurer will announce today that the April 2 budget will include a \$400m boost over the next four years for corporate watchdog the Australian Securities and Investments Commission, which was heavily criticised for failing to take a hardline -enforcement policy on banks.

A further \$150m will be quarantined for the Australian Prudential Regulation Authority, which has been given the task of cracking down on the under-performing superannuation industry.

Creation of a criminal division for corporate cases in the Federal Court, which will require legislation, will cost \$35m over the four-year forward estimates with the appointment of two judges, 11 registry staff and the construction of a dedicated court building.

The government will use the unprecedented funding boost for the corporate regulators to claim it is moving to restore confidence in the financial sector.

Labor leader Bill Shorten is yet to announce the full range of measures that the opposition is proposing in response to the royal commission but has signalled that he will take an uncompromising position on regulation.

The government and Labor have committed to implementing all 76 of the royal commission's recommendations and to ex-pand-ed compensation schemes for the victims of banking misconduct.

With an expected rise in the number of prosecutions ASIC will be under pressure to bring to trial, Mr Frydenberg said it was clear that a federal jurisdiction dedicated to corporate crime was needed.

Both APRA and ASIC were singled out for explicit criticism by Commissioner Kenneth Hayne for failing in their roles to properly regulate, investigate and prosecute potential criminal activity and general misconduct.

The funding boost to ASIC represents a 25 per cent increase to its overall budget while APRA will have its funding increased by 30 per cent.

Both regulators have been on notice for several years, with the Turnbull government handing out a \$70m funding boost to APRA in last year's budget, claiming then that the money would go to better enforcement.

The government claimed in the 2018 budget that the funding would "ensure the corporate regulator has the resources and powers it needs to combat misconduct in the financial services industry and across all corporations for the protection of Australian consumers".

In 2016, ASIC received an extra \$121.3m in the budget "to bolster ASIC's investigative and surveillance capabilities".

This has brought its annual budget to about \$375m.

The new funding, according to the government, is primarily linked to enhanced and extra roles that includes ASIC powers being extended to cover the \$1.2 trillion superannuation sector.

But it has been put on notice by the government that it will need to start producing results and bringing prosecutions.

"The lessons of the royal commission must be learned," Mr Frydenberg said.

"My message to the financial sector is clear — it's time to restore a culture of compliance and accountability that puts people before profits."

The Coalition imposed a levy on the banks last year in a measure that was widely regarded as punitive but had rejected the need for a royal commission until a threatened revolt by Nationals MPs, who backed Labor's call for a royal commission.

### **Industry leaders to overhaul nation's overseas image**

Sean Parnell

A high-calibre advisory council working to boost Australia's image overseas — to counter an apparently low opinion of our culture and intellect, as well as doubts about safety — has pointed to "a nation of contradictions" as it moves to unite people behind a new identity.

Backed by \$10 million in federal funding, and with the advice of consultants and market researchers, the council is leading a four-year effort to develop Australia's new "nation brand" and make the country perform better on the global stage.

It is an attempt to move on from the fragmented, competing interests of the federation, and legacy issues, to create a “Team Australia” with an unmistakable “rally cry”.

If successful, it is expected to not only boost Australia’s reputation but also the education, tourism, investment and export industries, potentially even the national mood, according to some advisers.

Advertising agency Clemenger BBDO was given a \$3.3m contract in January to develop “a brand concept and creative execution so good it makes the world sit up and listen”.

But to get to this point, the advisory council has had to acknowledge the gap between how Australians perceive their country and how it is perceived by the rest of the world. There is good, bad, and, even among Australians, contradictions.

“We think we are young, yet we have one of the oldest indigenous people and cultures; we love to win, but hate winners — we like the underdog, observe the tall-poppy syndrome; we recognise our colonial past, yet are anti-Establishment and like to challenge authority,” state the minutes of the council’s first meeting at Parliament House last year.

“There’s a certain resiliency and toughness around Australians that exhibits in many industries, e.g. our dancers jump higher, turn quicker. (But we) often seek external, overseas, validation before we achieve domestic recognition.”

The council is chaired by mining leader Andrew Forrest, who is recorded telling the first meeting that “research shows Australia ranks well in physical beauty, - enjoyability and lifestyle, but poorly on culture, innovation and technology”.

“We need to do better,” Mr Forrest told fellow council members, including Qantas chief executive Alan Joyce, Atlassian co-founder Mike Cannon-Brookes, Coopers Brewery chairman Glenn Cooper and Sydney Festival artistic director Wesley Enoch.

It is not the first time those strengths and weaknesses have been pointed out. But, on several global rankings, Australia now risks falling out of the top-10 countries, in areas that make our export education and tourism sectors particularly vulnerable.

“Australia’s poor rankings on culture, innovation and technology are to some degree a self-inflicted problem,” Mr Forrest told *The Weekend Australian*.

“For better or worse, we have done an excellent job promoting our great physical and lifestyle attributes, while failing to translate other parts of our story to the world. Australians invented Wi-Fi, have some of the world’s leading companies and brands, and our creative industries are highly influential and productive. We have a bigger story to tell and we need to get better at doing it.”

In 2014, after a \$20m, four-year promotional campaign, Austrade identified some lingering concerns, including that perceptions of public safety in Australia had declined in India, South Korea and Indonesia, potentially deterring students and

tourists. China ranked Australia in its top-10 countries across all attributes except culture (13th), while separate research has hinted at racism concerns and questions over Australia's contribution to the global good. China, India, Indonesia, Japan and South Korea will be the focus of the new nation brand, along with Britain and the US, which are also considered Australia's competitors in most markets.

Government-funded research showed a need to move beyond promoting lifestyle and affordability factors and focus on outcomes, such as improving Australia's education credentials and research output, which were perceived in some markets to be a weakness.

A Deloitte paper, produced for the council in November, showed Australia was 11th on the Brand Finance nations index. The consultants estimated that even a one-point improvement, lifting Australia into 10th, would be worth an extra \$3.1 billion in merchandise exports, \$704m in foreign direct investment, \$174m in tourism and \$137m in education every year.

"During recent times, case studies such as Singapore's 'Passion made Possible' and the United Kingdom's 'GREAT Campaign' demonstrated the positive impact of investing in nation branding, lifting their respective rankings and creating tangible investment outcomes," Deloitte concluded.

The council has also discussed the success of the "100% Pure New Zealand" brand.

The final brief given to the four companies that pitched for the creative contract clearly wanted them to reassure international doubters.

Australia should be depicted as "an internationally competitive investment destination, a great place to visit, a quality provider of education, a trusted exporter of premium-quality goods and services, a global citizen and business partner".

Whatever Clemenger BBDO comes up with will need to drive a broader change agenda to ensure the new image is not just a mask.

"It must be an idea so good it unites Australia across all industries, states and territories like never before," the brief stated.

### **Editorial - Defining our national brand**

At a time when nations, their institutions and businesses compete for everything from investment and tourists to overseas student enrolments, wine sales and film audiences, perceptions and branding are increasingly important.

Australians are well aware of our nation's many diverse strengths. We need to do better, however, in marketing these to the world in a way that encourages international engagement.

To that end, the Australia's Nation Brand project is a worthwhile initiative.

Designed by Austrade to boost our economic strength, diplomatic and “soft power” influence and cultural and scientific impact in coming years, it is being led by a high-calibre advisory council chaired by businessman Andrew Forrest.

Far from being a feel-good push to boost Australians’ morale, the exercise is geared to achieving quantifiable, long-term results.

According to a Deloitte paper produced for the Australia’s Nation Brand advisory council in November, based on data from 41 countries, Australia ranks 11th on the Brand Finance nations index, which is led by Singapore, Switzerland and the United Arab Emirates.

A one-point improvement, it was calculated, would lift Australia’s merchandise exports, foreign direct investment, inbound tourism and international student enrolments substantially.

In its 2017 white paper, the Department of Foreign Affairs and Trade explained why the nation needs to act.

Australia’s branding, it said, had become fragmented, with “no unified representation of the country internationally”.

Singapore’s “Passion made Possible”, “100% Pure New Zealand” and Britain’s “GREAT” marketing campaigns exemplify what can be achieved. Australia, DFAT concluded, needed “a brand concept and creative execution so good it makes the world sit up and listen”.

The advisory council’s research, understandably, notes that Australia ranks well around the world for physical beauty, enjoyment and lifestyle.

The nation is not well regarded, however, in terms of culture, innovation and technology.

Given the contributions of leading Australian scientists, that perception should be redressed. As Mr Forrest told the council last year: “We need to capture a national spirit that has evolved and create a brand that can serve the businesses our children want to start.

These are businesses in traditional industries, but also in new services and tech sectors, in culture, education and world-beating products that compete globally.” The teaching and specialist research strengths of Australia’s leading universities deserve to be more widely acknowledged.

Nor can Australia afford a resurgence of concerns about public safety. A decade ago, a series of heavily publicised attacks on Indian students, some of which were racially motivated, prompted widespread negative publicity on the subcontinent, resulting in a heavy fall in new enrolments from India. Such fears, or perceptions of racism, could decimate enrolments from nations such as India, South Korea and Indonesia.

Notes from the council, obtained by Sean Parnell under Freedom of Information laws, make it clear that “nation branding” is a “long game”.

The council, which includes Qantas chief Alan Joyce, Tourism Australia’s Bob East and Austrade’s Stephanie Fahey, recognises that the “nation brand needs to be something all Australians will celebrate, a rally cry”.

It must be trusted, aspirational and authentic, and take on board our inherent contradictions as a young nation with one of the world’s oldest indigenous cultures; a nation that loves to win but likes the underdog.

Provided it stays on track, the initiative deserves bipartisan support and should not be undermined by populist political vagaries.

### **Fund cuts hit NDIS remote customers**

Amos Aikman

The agency in charge of the National Disability Insurance Scheme has been cutting funding for remote participants who cannot find the care they need, undermining services in disadvantaged areas and pushing the scheme towards collapse, - providers say.

Disabled people have lost tens of thousands of dollars from their plans with no evidence their needs have diminished. In one instance, the National Disability Insurance Agency admitted to taking away more than 40 per cent of a woman’s care budget partly because of gaps in service provision.

The peak body, National Disability Services, says that without more flexible funding or better implementation, remote participants could end up worse off, breaching the fundamental covenant upon which the NDIS was established.

Bronwyn Daniels, a 50-year-old woman from the community of Ngukurr about 530km southeast of Darwin, has severe-stage Machado-Joseph Disease, a rare genetic condition that traps sufferers in their bodies.

She began receiving NDIS-funded care in November 2017 with a core support budget of \$183,412 and a therapy budget of \$19,751, according to the MJD Foundation, a provider.

Ms Daniels wanted to remain living independently with her family and continue traditional activities, but after a review of her plan last year, the NDIA cut her core support by 45 per cent and therapy support by 40 per cent.

The NDIA told MJDF chief executive Nadia Lindop it had done so because Ms Daniels’ plan was under-used. “Reason being for under-utilisation are thin markets and over-funding in previous plan,” the NDIA wrote. “Thin markets” is industry speak for inadequate services.

“This seems to be a clear example of an NDIA policy of ‘use it or lose it’ for communities that have a ‘thin market’, despite the NDIA assuring us this would not occur,” Ms Lindop told *The Weekend Australian*.

“Bronwyn has severe MJD, is permanently using a wheelchair and has no regular carer.

“She definitely needs the support budgeted in her first plan.”

Of 22 clients on their second NDIS plans with the MJDF, 10 had total funding cut, 10 saw support co-ordination reduced and eight their core funding decreased. The average cut for Groote Eylandt patients — where MJD is particularly prevalent — was \$59,532 or 31 per cent.

“Building capacity in very remote communities and overcoming the significant barriers to remote service delivery is not able to be achieved in 12 months,” Ms Lindop said.

“Seeing such as a dramatic decrease in Bronwyn’s NDIS plan and receiving this feedback from the NDIA has reduced our confidence as a support provider to go ahead with capacity building plans.”

The NDS state manager for the NT, Susan Burns, said providers were frustrated that disabled people still wanted for basic necessities. “People are not going to go online to look for a service provider to organise speech pathology when they are hungry and don’t have blankets,” she said.

“Flexible funding would allow for a service provider to provide holistic wraparound supports.”

The NT has the lowest utilisation rate in the country at 56 per cent. About half the NT’s NDIS participants are Aboriginal.

Although there are more than 700 registered disability service providers, only 18 per cent of them are active, underscoring the extent of market failures, according to the NDS.

### **Wyatt confronted with stark reminder of youth suicide scourge**

Paige Taylor Michael McKenna

When Ken Wyatt visits remote Aboriginal communities across northern Australia, he knows the tally of lives cut short is often recorded for all to see.

“In some places they chop down the tree when somebody committed suicide so that it’s not used again,” Mr Wyatt said.

“There is a community in the Kimberley and when you go into it you see those tree stumps, so you know from those tree stumps the number who have taken their lives.”



Mr Wyatt, the first indigenous Australian to become a federal minister, is among politicians around Australia dealing with an indigenous suicide crisis.

There were 180 indigenous suicides in Australia last year, a third of them children. So far this year, 35 indigenous people have died by suicide, 11 of them children, including a 12-year-old girl from the Pilbara in Western Australia's north and a two-year-old girl in South Australia. While indigenous children make up about 5 per cent of the overall child population in Australia, this year they account for almost 40 per cent of suicides by Australians under 18.

Mr Wyatt said a lot of Aboriginal kids had been saved just in time by the quick actions of good Samaritans.

"I met a mother who has cut down 10 young people," he said.

Australia's federal and state governments have all admitted failures in suicide prevention. Queensland is expected to release its indigenous suicide prevention strategy next month while WA has pledged a whole-of-government response to an inquest into the suicides of 13 Aboriginal children and youths in the far north Kimberley between 2012 and 2016.

Four indigenous people took their own lives this week, including two 20-year-olds.

The high rate of indigenous suicide has prompted questions about Coalition policy, including the decision of the former Abbott government to cut \$534 million from indigenous programs over five years.

Indigenous Affairs Minister Nigel Scullion was unapologetic about cutting services that he said were unable to improve outcomes.

Senator Scullion said among the new policy successes were the "flying squads" he funded 2½ years ago to help indigenous families and communities after a suicide.

The National Indigenous Critical Response Service was formed after the suicide in 2015 of 37-year-old Aboriginal woman Rhoda Narrier, whose 11-year-old son Peter Little had taken his own life in the WA port of Geraldton nine months earlier.

Senator Scullion said the "flying squads" had supported more than 300 grieving families so far and fixed ongoing issues for those families such as housing.

"They get the services together — you do this, you do that," he said.

"There hasn't been a suicide within the families (they have worked with). That is a demonstrable success."

Mr Wyatt's suicide prevention roundtables in the Kimberley and Darwin began as a way to help communities get more efficient services, but they have also been a revelation about what young indigenous people say they need.

They have told Mr Wyatt they want role models who can help them at their most vulnerable moments, including late at night.

This has confirmed Mr Wyatt's belief that health organisations must abandon office hours and make themselves available to help indigenous kids.

"Young people were very clear. They said, 'why don't you offer services outside of 9-to-5? Why isn't there somebody available 24-7?'" he said.

### **Labor enters arena with its own wrecking ball**

Adam Creighton

It's curious how Labor, which launched a \$50 billion National Broadband Network, is so opposed to improving two stadiums in Sydney.

At least the stadiums won't become obsolete, and Labor's own plan to "invest \$500 million to create a new cultural institution in western Sydney" hardly smacks of fiscal rectitude.

Today's NSW election matters not just for sports fans. As growth falters around the country, the state's public investment boom has helped keep the jobless rate down and the economic growth up. NSW is spending \$66bn over the next four years, almost double the level of the second biggest spender, Victoria.

Sure, delays and budget overruns abound — witness the Sydney light rail fiasco — but that's par for the course in public works. Labor's track record is hardly edifying, unable in its previous 16-year stint in government to install an electronic ticketing system for the state's public transport.

With strong population growth, it's far better to err on the side of too much or too expensive infrastructure than not enough. It's no surprise with less than a third of the country's population, NSW contributed half the nation's economic growth last year, having an unemployment rate of 3.9 per cent, the lowest ever.

On top of capping the stadium rebuilds, the Labor opposition says it would can a western harbour tunnel and Sydney metro southwest extension. And those projects they'd keep would arrive even more slowly, given the inevitable tinkering with specifications and changeover in the upper ranks of the public service.

Even if you believe Labor's supposed new-found fiscal conservatism, borrowing to build is a good idea; state government borrowing rates are at their lowest level in history.

The NSW government is far from perfect, having squibbed on the fire service levy and local government reform, and abrogated itself from the energy debate — a core state responsibility.

Fear of the public sector unions has insulated the bloated education and health sectors from scrutiny. And in eight years the state government's done little to fix its dependence on property stamp duty, a damaging 19th-century tax that traps people in their homes.

Yet Labor's Michael Daley doesn't seem inclined to big-picture fiscal or tax reform, his policy suite far more attuned to identity politics and trendy environmentalism: flying the Aboriginal flag on the harbour bridge and signing a "treaty", banning single-use plastic bags, "supporting women", creating 10 days of paid domestic violence leave, letting kids travel free on public transport, "saving live music" and animals.

It's hard for state governments to do big reform, given their dependence on federal government grants which come with reams of conditions.

NSW Treasurer Dominic Perrottet has tried to shift the debate away from spending on health and education, as if dollars spent equated to the quality of outcome.

The next step, for whoever wins today, should be an inquiry into how to lift productivity in these two sectors — without spending more money.

### **Industry super funds an elemental threat to Liberal Party**

Paul Kelly

The Liberal Party's view of Australian capitalism — the model it has known all its days — is facing a death sentence as the industry super funds emerge as winners in the market and in politics and are flexing their investment muscles in the cause of a more progressive capitalism.

In an exclusive interview with *The Weekend Australian*, the recently retired chairman of global funds manager IFM Investors, Garry Weaven, often called the "godfather" of the system, says if the Liberal Party continues its political battle against the funds, it is "on a hiding to nothing given the track record".

With the industry funds stronger than ever and outmuscling the retail or bank funds in Australia's \$2.7 trillion super system, the message from Weaven is that fund trustees will "take into account" the social, governance and environmental stances of companies in their investment decisions and that this is completely consistent with their legal obligations to fund members.

This is the foundation stone for the nation's new capitalism. It will drive the Liberal Party either into the margins or force the re-creation of its outlook towards finance, corporates and super.

"Today knowledge is global and is disseminated more quickly than ever before," Weaven says. Investment decisions will increasingly be shaped by global markets and "world events, science and knowledge", which means domestic groups locked

into the old “right-wing reaction mode” will get caught when people and investors “just desert them”.

The Liberals, in short, are losing the battle in their corporate heartland. This process is driven by the industry super funds, whose origins lie in the 1980s industrial relations system. Weaven defends the ongoing nexus between the industry funds and the industrial relations system — the link the Productivity Commission recommended be broken — but this has become a battle the Morrison government will not fight because it would lose. Weaven says the Liberals need to “accept the reality” that the industry super funds model is entrenched and here to stay.

While not backing divestment as a preferred approach Weaven, asked how far away are superannuation fund decisions to divest from coal, replies: “I don’t think it’s too far.”

He adds: “If the Liberals or Nationals or anyone else ties themselves to the coal or other environmentally questionable lobby groups they are going to be very sorry.”

The industry funds have emerged stronger from the Hayne royal commission and the six-year period of Coalition government, which brought some reforms of the super system but failed utterly in any dismantling of the industry fund model. The Liberals have been trapped — hostile towards a system they see as serving trade union power yet unable to devise any alternative. Now it is too late. They have been strategically outsmarted on a massive scale.

“The criteria for trustees should be long-term returns on members’ money; that is, what goes into members’ superannuation accounts in the long term,” Weaven says. “But trustees would be very foolish to use the blinkered view of traditional analysis and the incredibly short-term focus they apply. Trustees should certainly consider the social and governance issues of companies and the environmental issues. They should most certainly take those into account.”

Taking the example of climate change investment strategies, he says: “I keep saying about the renewable energy debate, it’s all right to say we’ve got this problem, that if we move too early we’ll underperform by being too negative, but when these markets move they can go to panic very quickly and you can lose everything.

“So I can’t predict the day. If I could, everyone would be paying me hundreds of millions of dollars for advice. But companies need to build in contingency plans.”

Referring to coal giant Glencore’s recent decision to cap coal production in the teeth of strong investor lobbying pressure, Weaven says: “If you look at the forecasts for how much more fossil fuel can be burnt without absolute disaster, what you find is all of these companies whose assets are still in the ground have got a real revaluation coming — downwards.

“And then you start to say, ‘Hang on, you’ve got these in current today price values ... some of those assets are not going to be worth anything because you’re never going to be able to mine them’. So these issues need to be discussed with the companies and company boards.

“And if the boards have got smart people then they think through the issue and take an appropriate position. I think that’s good. Dialogue and engagement is not a bad thing, ever.

“I think divestment is usually less successful.”

Here is the model in action explained. Some companies will need dialogue; others are already moving towards the economic, social and governance requirements that industry funds believe is essential in the long-term financial interests of their members. It is akin to a modern social democratic view of capitalism. Weaven does not rule out divestment decisions being taken by the funds but says this should be reserved to “where you’re trying to get a big public policy point across”.

Weaven’s role has been fundamental in the story of the industry funds. Working for the ACTU in the 1980s he ran the initial “on the ground” campaign for 3 per cent super under the authority of ACTU secretary Bill Kelty, a campaign hated by the Liberals. He was instrumental in designing the early funds and was pivotal in bringing the employers into the system as equal representatives with the unions. Ever since, Weaven has played a critical role in the growth of the funds.

He debunks the popular notion that industry super funds will be used to advance trade union industrial goals against employers. Weaven says this misses the point entirely. He says the “representative trustee model” with equal directors from the unions and employers is the core reason the industry funds have outperformed the retail or bank funds.

“The Liberals need to accept reality here,” Weaven says. “If they have differences with unions then have those differences outside the superannuation arena. Because if they keep attacking a system that is actually successful then, sooner or later, even the employers in the system are going to say, ‘We’ve had enough of this’. Every time the Liberals attack the system they insult the major employer organisations, all of them.”

The beauty of the industry funds’ position is that the law of the land specifies the current 9.5 per cent contribution rate will rise incrementally and automatically to 12 per cent by 2025 and the legacy of the Coalition’s royal commission has been to weaken the retail funds. The framework is set on a retirement policy for workers and an investment policy for corporates.

Quizzed about the recent push by ACTU president Michele O’Neil, an alternative director of AustralianSuper, to get industry funds to intervene in an industrial dispute with BHP and take investment decisions on industrial issues, Weaven offers a dual response: there was “no evidence whatsoever” that boards would get involved “in a specific day-to-day industrial issue” but this was separate from the need for trustees to take broader social and labour issues into account in their investment decisions.

Weaven seeks to hose down an explosive situation while defending the ACTU. He endorses O’Neil’s remarks that moneys in industry superannuation funds are workers’ money. “I don’t know whose else it is,” Weaven says. “It belongs to the fund

members, be they current workers or retirees. It belongs to them under trustee law. But the question is: how are their interests being preserved?”

Weaven attacks Treasurer Josh Frydenberg, who referred to regulator, the Australian Prudential Regulation Authority, O’Neil’s letter to 30 industry funds seeking their “active support” to pressure BHP to save the jobs of local seafarers after the expiry of a contract. He defends O’Neil, saying: “She’s got certain constituent unions who say, ‘We’ve got this issue — and we want to use every means we can’. And good luck to them. But that’s with the union hat on. When they come into the trustee board, they wear a trustee hat and are covered by trustee law.”

The trouble is the walls of separation are thin. AustralianSuper chair Health Ridout went public saying O’Neil “can do a lot of stuff as president of the ACTU” but could not raise the issue as a trustee of the fund. Ridout said the fund was alert to conflicts of interest. The message from Weaven and Ridout highlights their determination to honour trustee obligations to act only in member interests.

Yet Frydenberg’s alarm was justified. It is one thing to talk about separate hats for unionists but when the head of the ACTU launches a campaign appealing to industry funds to intervene, the crucial question becomes: exactly how broad is the interpretation of member financial interests?

Weaven says funds are entitled to address issues including labour relations such as worker exploitation and industrial relations law and should be cognisant that “modern slavery is an issue around the world”. He says companies that breach IR laws “might find their value falls off a cliff”, hence the relevance of labour issues to investment returns and member financial interests. This is a door on which the ACTU will continue to push.

The Abbott-Turnbull-Morrison government will be seen historically as the final lost chance for the Coalition to restructure the super system. The message from any incoming Shorten government is already clear — it will clean up the underperforming funds but repudiate the main thrust of the recent Productivity Commission report to tackle core structural changes.

Weaven’s thesis for the superior performance of the industry over retail funds is the former “were not serving two masters” — members and profits. His task at the inception of the system was “to ultimately persuade the employer groups to come on board”.

“What has been proven over time is the industry funds model,” Weaven says, referring to equal union and employer directors. “The people who got on board at the start were deeply conscious of the need to do well — to get good performance for members at low cost. Remember to that time occupational super was company-based, corporate-based and very inefficient.”

He says there is “a two-thirds voting rule on trusts’ boards almost universally” — another safeguard. “I believe I invented the two-thirds rule,” Weaven says. “I invented it as a direct response to a series of negotiations with building industry

employers. They were petrified, not without some cause, that the funds might be used in an industrial context to put pressure on employers over individual issues.

“That was never what we had in mind. Even the militant unions never had that in mind. They wanted to get a savings nest egg; that was the objective. So we made that concession. Some people said it would cause lots of problems but in fact it’s been a hallmark of success. It has forced people into a consensual position.”

Weaven is scathing of reformers seeking sweeping changes to the system, from the Productivity Commission to Liberals such as Kelly O’Dwyer and Peter Costello. He rejects the floated Costello model for a monopoly government-controlled fund to manage the default sector (for the two-thirds of workers who decline to choose a fund). “Who would really support that?” he asks, knowing the Morrison government will not. Contrary to critics, Weaven sees the tie between the super and IR systems as pivotal to the success of the industry funds model. He asks: “Why disrupt what is regarded by independent authorities as one of the leading systems in the world?”

Quizzed about the Productivity Commission report, he concedes reforms are necessary — chronically underperforming funds must “either amalgamate or go away”. But he says default sector arrangement can be managed by Fair Work Australia, the option rejected by the Productivity Commission. “People keep overlooking the importance of the motivation of the trustees,” he says. “It is difficult to measure but I have no doubt it is the underlying issue. To move away from the representative trustee model (unions and employers) is almost throwing out the baby with the bathwater. The question is: where’s the evidence that, if you drew on the big four accounting firms for your trustee base, that this would be a good or better result? Or if you drew upon the Institute of Company Directors?”

“There is no evidence that any of these bodies would be a better source of directors than our current mixture of union and employer representatives and other experts as required.”

Weaven repudiates the ACTU demand for retail funds to be driven from the superannuation industry. He backs competition. He says the union demand is unnecessary because the “sole criteria” for a licence should be member performance. Provided this is policed, there is no need to outlaw the retail funds.

He also repudiates the lethal claim lodged by a number of Liberals — that the industry super funds are channelling moneys to the union movement and are instrumental in their rising financial power. “This fear is not justified,” he says. “I mean, the recent royal commission had reams and reams of material about all of the costs of the funds. They have and still have all the material relating to marketing costs, administrative costs, right down to the fine details and expense accounts. They had it all — yet they found nothing they really wanted to comment about.”

If Weaven’s analysis is vindicated, the operation of capital markets will be turned against Liberal Party values or those values will need to change with vast consequences for the conservative wing of the Coalition. The irony is that the employers, supposedly the foundation of Liberal support, are tied to the unions in a system that originates with Paul Keating and Kelty. Asked about the future of the

trade union movement, Weaven says its numbers will keep declining. The new model, in effect, was devised by Greg Combet when running the ACTU — that of a public policy advocacy voice now followed by Sally McManus in a more strident way.

But Weaven says the unions need to innovate: “I can’t help but think there could be a need for a much more basic union service for a much lower fee.” The service would be rudimentary: ensuring you got paid the right amount, worked the right hours and had the law enforced in redundancy. “I think I might have a crack at that if I was in the current leadership.”

Would the CFMEU be a threat to Bill Shorten as PM? “Potentially they can be a problem for Shorten because they still have substantial organising capacity and substantial militancy,” Weaven says.

### **Safety bollards no barrier to ugly vitriol of political Left**

Chris Kenny

There are synagogues and Jewish schools in my neighbourhood and after living there for a decade the initial shock of seeing armed guards patrolling their gates and driveways has worn off.

One of the most chilling responses this week to the Christchurch massacre was the matter-of-fact and wholly sensible announcement by Scott Morrison about an extra \$55 million for community safety grants to religious schools and places of worship.

Confront the fact we live in an age when your local church, mosque, synagogue or religious school needs funding for video surveillance equipment, bollards or other security devices. The grotesque horror of Christchurch, in its way, will shift all of us closer to that terrible sense of vulnerability to which many Jewish communities have become accustomed.

This strikes at the heart of our society because everything about our history and our national project suggests we should be heading in the opposite direction.

We aspire to be the multiethnic, multicultural and multi-faith nation where live-and-let-live is the daily experience. New Zealand, especially its idyllic South Island, would have been one of the last places you would have predicted a terrorist attack. But that is the modus operandi of these monsters — choosing soft targets to shock us to our core.

The aims of the white supremacist fanatics and the Islamist extremists are remarkably similar. They seek to foment a clash of civilisations so their intolerant notion of society can ultimately prevail. They want to inspire copycats and retaliation — either suits their aims — and they want to create fissures in society.

The twisted Australian who has been charged over the slaughter of 50 blameless Muslims in those two Christchurch mosques would derive sick pleasure from the



amount of division his atrocity has generated. Let's hope they are denying him access to the news because the partisan and personal pointscoreing in Australia and the ugly and troubling diplomatic spat with Turkey will give him sickening satisfaction.

In the wake of 9/11, Bali, London, Paris, Martin Place, Paramatta, Bourke Street and countless other attacks, our society has handled the repercussions of terror reasonably well.

Sure, the political-media class has often been in jihad denial and has averted its eyes, ears and mouths from discussing the joint responsibility of Muslim and non-Muslim communities to combat extremism. And, yes, there was the offensively misplaced priorities of the #Illridewithyou campaign, which was based on a falsehood and launched while hostages were still held at gunpoint.

But mainstream Australians, overwhelmingly, have responded with calm resolve and a visceral resort to unity and tolerance while supporting action to bolster security. While intolerant immigration policies have been promoted by minor parties, they have been contested in the public square to the extent that even Pauline Hanson's One Nation had dropped its proposal to ban Muslim immigration.

There has been some focus on white nationalist groups and the promotion of white supremacist propaganda but obviously, in the wake of Christchurch, that threat was underestimated and now needs to be tackled more energetically.

For those of us outside the intelligence and security apparatus, this will require the same strategy as that we encourage to combat Islamist extremism: open discussion of the threat, identification of the groups and messages to be called out, and vigilance in communities to report worrying activities.

All up, we had been doing reasonably well. Until that monstrous attack across the ditch.

The toxic abuse, ideological crusades and ugly blame games that have overtaken our public debate are the worst I have seen. Twitter — which is always a cesspit dominated by green-left spite but with a sprinkling of hard-right bile — has been filthy.

Most disturbing is the way this reprehensible, divisive and dangerous behaviour has been spread not just by anonymous social media trolls but by prominent people and mainstream media. Surely Australia has seldom looked so puerile, intolerant or fractured.

I spent more than three hours in an endodontist's chair for root canal work late this week and it proved a blessed relief to concentrate on something equally as painful but less disturbing than this squalid debate.

The worst transgression came early from independent senator Fraser Anning. His statement on Christchurch effectively blamed the victims for being there. "The real cause of bloodshed on New Zealand streets today," Anning wrote, "is the

immigration program which allowed Muslim fanatics to migrate to New Zealand in the first place.”

Terrible, heartless, misleading and offensive; he stood by it. Condemned by most politicians, Anning will be censured by the Senate. Hanson, under whose banner he first entered parliament, says she won't back the censure. This suggests she and others see at least some votes in this sort of prejudice. That is sobering.

But let us not forget that Anning was ostracised in our public life before this tragedy. He was an unknown One Nation candidate who entered the Senate only because Malcolm Roberts ran foul of the dual-citizenship provisions.

Anning quickly fell out with the party and quit, then attracted widespread condemnation for an intolerant maiden speech, joined Bob Katter's Australian Party and was sent packing because of his extreme views.

Anning is representative of very few people and destined for anonymity after the election. So, while we condemn his words, we should not shame our nation as a whole — he is an outlier.

Likewise, while all sorts of misinformation and vitriol have been directed at Sky News Australia, the one real transgression that critics can point to is when white supremacist Blair Cottrell was given an uncritical platform last year. As a result the host, indigenous former politician Adam Giles, had his show cancelled, even though Cottrell had been interviewed previously more than once on the ABC.

This shows these tensions between free speech, open debate and responsible wariness of extremism were being managed sensibly before last week. It is understandable and wise that such issues are revisited, reconsidering the issues now that we have seen the culmination of white supremacist terror in our region.

But we can't avoid the repulsive and counter-productive response from the political Left that has set Australian against Australian and our nation against others.

The so-called progressives have always been squeamish about confronting the palpable threat of Islamist terrorism but at least have always understood — or claimed to understand — the rationale behind ensuring that not all Muslims were blamed for the actions of extremists.

Yet this week they have recklessly, vindictively, cruelly and dangerously sought to blame right-of-centre politicians, commentators and media organisations for the cold-blooded killing of innocent Muslims. They try to equate any discussion of issues related to Muslim extremism, any criticism of Islamic fundamentalist practices, with inciting white supremacist extremism.

It is almost too manic and hateful to believe. But there it is. And it shows no sign of abating just yet.

Even before victims had been identified and mourning had begun the political activists of the Left started apportioning blame. While the right-of-centre

transgressions tend to come from people such as Anning on the extreme fringes, often on the Left there are prominent voices who enjoy the benefits of institutional, political and public broadcaster support who spit the poison.

Take your pick. Former independent MP Tony Windsor tweeted that Morrison's "dog whistling" had "borne fruit" on a "softer target."

Academic and indigenous advocate Marcia Langton replied saying the Prime Minister was "complicit in mass murder" along with his cabinet and backbenchers.

ABC and Ten Network host Waleed Aly dug up old repudiated claims that Morrison had told a shadow cabinet meeting in 2010 that there might be political advantage in targeting Muslims.

Labor spin doctor Dee Madigan tweeted in part: "To the politicians who thought there were votes in an anti-Muslim strategy, there are now bullets in children."

On ABC television's *The Drum*, host Ellen Fanning encouraged Sara Saleh of GetUp in a hateful rant.

"We are in a system that is quite literally propped up and enabled and aided and abetted by politicians and media shock-jocks that have made a living, a political career, out of Islamophobia and out of inciting hatred and white supremacist views against marginalised communities," Saleh said. "And look no further than Scott Morrison. Prime Minister Morrison's response after Bourke Street last year or Tony Abbott and his Team Australia and just his existence altogether, I would say, is offensive."

Fanning did not demand justification, disagree or question the assertions. "They have blood on their hands," Saleh continued, "they have emboldened neo-Nazis and white supremacists, they are not free of blame."

There was more. Social media remains full of obscene and putrid claims but, sadly, prominent left-of-centre journalists such as Jonathan Green, Rafael Epstein and George Megalogenis, while using more measured tones, gave voice to the same arguments rather than calming the waters.

The divisions have never been more volatile, the unity in the face of terror so sorely missed, as the bollards go up at local schools and churches. No one is happy except the extremists, of all kinds.

### **We're the big losers in this immigration numbers game**

Judith Sloan

This week the Morrison government announced its intention to reduce the annual cap on new permanent migrants from 190,000 to 160,000. This lower figure will apply for the next four years.

The trouble with the announcement is that an effective cap of about 160,000 has been in place for the past two years. It's a Clayton's change — the cap change you have when you're not having a cap change.

In combination with other announcements, which will mean even more temporary migrants, the government has decided that the population will continue to grow at a rapid pace, mainly as a result of immigration.

Rather than act on a very clear message from the public that the migrant intake should be cut, the government has preferred to appease various sectional interests while pretending otherwise. We should expect better, even of a government in its last throes.

The bigger picture is that there has been a significant disintegration of the broad consensus on immigration — you could call it a settlement — that was achieved by prime minister John Howard. This consensus involved strong border protection preventing the entry of illegal migrants while expanding the pathways for legal migrants to enter and stay in the country.

For a while this worked well. Let us not forget that the number of permanent migrants went from about 90,000 per year when Howard was first elected to close to 160,000 when he left office. Nonetheless, the public's generally favourable view of immigration and high migrant intakes persisted for some time.

In more recent times, however, there has been a marked shift in the public's view on immigration and the related issue of population growth. I won't go through all the results of these surveys — it would take too long — but let me mention some of the sources: Newspoll, Essential Research, Lowy Institute Poll, Scanlon Survey and the Australian Population Research Institute.

To give you a flavour, last year's Lowy poll found there had been a 14 percentage point jump from the previous year in the proportion of respondents who agreed that "the total number of migrants coming to Australia each year is too high". A majority (54 per cent) now agrees with this statement.

A poll conducted by Essential Research last year also found that 54 per cent of respondents thought Australia's population was growing too fast (only 4 per cent thought it was too slow) and 64 per cent expressed the view that the level of immigration had been too high during the previous 10 years. The poll found 37 per cent thought the level of immigration was "much too high".

Let me also just touch on a recent Newspoll survey in which the respondents from NSW were asked: "When thinking about the population of NSW, would you like to see the population of NSW increase, stay about the same or decrease?" Note that the question was not about population growth but about the level of population.

A mere 16 per cent stated that they wanted the population to increase. About 55 per cent wanted it to stay the same and a quarter wanted it to decrease. Bear this in mind, there is no way that the population of NSW is about to stay the same given natural increase and the migrant intake.

To tease out the reasons for this shift in attitudes towards immigration, the key is to look at the figures. To be sure, the lift in the permanent migrant intake that has occurred across time was always likely to cause some members of the public to query the change. But another factor is the explosion in the number of temporary entrants during the past 15 years. Traditionally, temporary migration was insignificant in the scheme of things. Migrants came to the country to settle or not at all, with the exception of visitors.

In more recent times, the number of international students, working holidaymakers and temporary workers has exploded. About 700,000 international students are in the country and it is estimated there are more than two million temporary migrants with work rights.

The best summary measure of the movements of migrants, both permanent and temporary, is net overseas migration, which is published quarterly by the Australian Bureau of Statistics. The figure includes arrivals and departures of those migrants who have lived in Australia for at least 12 months out of 16 months.

In the 10 years ending in 2005, the annual NOM averaged 105,000. Since then, the NOM has averaged more than 220,000. In other words, the NOM has more than doubled, which undoubtedly is behind the public's growing opposition to immigration. The latest figure for the NOM (for the year ending in the September quarter of last year) was 242,000.

Note that net overseas migration accounts for more than 60 per cent of the growth in the population. Australia has one of the highest rates of population growth among developed economies, with the population growing at close to an extra 400,000 people a year. This is more than Canberra's entire population.

Moreover, the pattern of growth is not even across the country. In Victoria, the population grew by 2.2 per cent in the year ending in the September quarter last year compared with a figure of 1.6 per cent for the country as a whole.

Given that all the evidence indicates the consensus position on immigration — endorsement of high rates of immigration in the context of strong border protection — has crumbled, how have politicians reacted? The main response has been denial, leading to a continuation of current policy settings, which encourage high rates of migrant intake.

This has been particularly noticeable in relation to the Morrison government's refusal to countenance any substantive cut to the migrant intake or to place any restrictions on the entry of temporary migrants.

While conceding that high rates of population growth impose significant costs on residents — think congestion, overcrowded schools and hospitals, loss of urban amenity and the like — the government has not been prepared to make any noteworthy adjustments to the core features of its immigration policy.

There is a faux appeal made to the supposed economic and fiscal benefits of immigration. The economics of immigration are quite clear: the overall economic

benefits are relatively small; they take many years to emerge; and in the meantime productivity is lower as more workers enter the market before the capital stock adjusts.

Moreover, the benefits of immigration are largely captured by the immigrants themselves as well as by the owners of capital and employers.

The truth is that immigration is not really about economics; it's about the kind of society we want. Do we want a big Australia with very large groaning cities or do we want a medium-sized country with an enviable lifestyle?

Do we want our politicians to act in line with the preferences of voters or to cave in to the pleas of vested interests (big business, property developers, universities, employer associations, some ethnic groups) when it comes to formulating immigration policy? It's clear what we've got from the Morrison government; it's less clear what a Shorten government would deliver.

### **Survivor Shorten defies bad press to close in on the Lodge**

Peter Van Onselen

For Australians to wake up the day after the next federal election without Bill Shorten as prime minister, Scott Morrison will need to have orchestrated the biggest comeback in our political history.

Fifty consecutive Newspoll fails alongside worsening numbers since deposing Malcolm Turnbull as prime minister suggests the degree of difficulty for a Morrison comeback is well beyond him.

Which brings us to the story of Shorten's unlikely rise. It has been remarkable, and make no mistake — whether you agree or disagree with his policy agenda, it is significant and will have a profound impact on the direction of this country.

Shorten has worked his way to the cusp of becoming prime minister despite significant obstacles. For starters he was a key figure in the downfalls of Kevin Rudd and Julia Gillard. Yet he has avoided the taint that goes with being the political assassin.

Labor changed its rules on electing leaders, giving the membership 50 per cent of the say alongside the caucus. That shift favours the Left faction — because it has a greater share of the lay membership — and Shorten's opponent Anthony Albanese, from the Left, amassed 60 per cent of the membership vote but couldn't win over enough members of the parliamentary caucus to translate that into victory.

One of the reasons for that was Shorten's ability to work the numbers, just as he did against Rudd and then Gillard.

Having won the vote in an almost direct violation of the aim of the new rules — to empower the lay members — Shorten has survived six years of Australians knowing he wasn't wanted by most of the Labor faithful. Polls repeatedly back their judgment, showing Albanese is the more popular Labor leader. Even Shorten's deputy, Tanya Plibersek, regularly polls as more popular.

Only one first-term opposition leader has gone on to become prime minister: Andrew Fisher in 1914. But he had been prime minister before, just a year earlier.

If Shorten wins the election less than two months from now, he will do something no one else has done: take over the remnants of a defeated government humiliatingly dispatched from power and survive six years in the wilderness before returning to office.

Since the early days of his leadership, Shorten has been criticised for lacking charisma. He survived a politically motivated royal commission into the unions, which included comments from the commissioner that specifically targeted the Opposition Leader's character. There was even a criminal investigation into Shorten during his time as leader, allegations that dated back decades. Charges weren't laid but the potential taint of such allegations often sinks political careers. Not Shorten's.

When the Liberals emulated Labor and deposed a first-term prime minister, Shorten had to recalibrate his attacks against a far more popular opponent, and on the eve of an election no one expected him to win. Using the scare campaign tactics of Tony Abbott from 2013, Shorten mounted a campaign to discredit Turnbull's government on health, coming within a whisker of taking away the Coalition's majority.

In his second term as Opposition Leader he came under pressure when polls suggested a series of by-elections might go against the opposition, after Labor MPs whom Shorten said didn't have a problem with dual citizenship fell foul of section 44 of the Constitution. Instead, the results went Labor's way and the fallout was on the government side.

Despite his personal unpopularity, the precarious position of the newly minted Labor opposition and the fact there were more popular alternative leaders lurking in Shorten's ranks, he still authorised a radical policy agenda for the 2016 election, which has been expanded for this election. It is the most comprehensive agenda since John Hewson's Fightback package in 1993.

While there are plenty of questionable ideas within the plan, there is no doubt Shorten decided winning wasn't enough. He didn't want to come to government like Rudd or Abbott, running a small-target agenda or nothing more than a scare campaign against the government. Doing so is an effective way of obtaining power, but retaining it requires a mandate courtesy of spelled-out policies.

Shorten's policies may bring him undone in government, but that will be on his terms. Going into government, Labor has substantial reform plans on tax and industrial relations, as well as a series of social policy scripts that are radically different to what Morrison is offering. As Paul Kelly suggested in this newspaper last weekend, Labor has captured the zeitgeist.

Finally, Team Shorten will be a new-look government for this country. Yes, there will be many familiar faces, ministers who Labor will hope have learned from the failures of the previous Labor government; who come into government better prepared this time, with more experience. It's not entirely analogous but the circumstances are similar to the way the new team of Bob Hawke came into government in 1983, having learned from the failures of Gough Whitlam's administration.

But there also are new names who will take important seats at the table. Shorten has pledged to install former NSW premier Kristina Keneally into cabinet, as well as the father of reconciliation, Pat Dodson.

The diversity of Shorten's cabinet will be unmatched in Australian history, and his government will be the first in this country's history to be genuinely reflective of the gender balance in the population — half men, half women — and with more powerful female decision-makers in frontbench ranks than ever.

It is easy to knock Shorten, to write him off, to underestimate him. Most commentators and members of the public have been doing that for years. Frankly, despite the tale above, I still assume he'll stumble once in power — weighed down by his agenda, which risks going against the changing economic climate. Policies that aren't properly formed — such as Labor's emissions target — may stifle success. Or the challenges of passing laws through the Senate may expose Shorten.

But time and again this unpopular, uncharismatic Labor leader has defied negative expectations, and he has done so without personal ratings to crow about, and without the power of incumbency.

Once in office, if Shorten doesn't fail at the election and depose Hewson for the title of losing the unlosable election, he will get a fresh start. New prime ministers always do. Shorten's personal numbers will soar after he is sworn in. His authority internally will only grow.

As long as hubris doesn't take over — a silent risk for Shorten — honeymoon popularity just may fix the one failure he has never been able to overcome: building a bond with the public in the way Hawke or eventually John Howard did.

Hawke came into office with such popularity; Howard did not. Howard's popularity grew across time. Shorten's political hero is Hawke. Howard was a Liberal prime minister who inspired Shorten to run for the other side.

Yet if Shorten is to build into a successful prime minister, he will follow the Howard developmental script, not Hawke's, albeit with a radically different policy agenda to go with it.



## **New era ambition of wannabe PM**

Troy Bramston

After a decade of political dysfunction, party convulsions, the felling of prime ministers, parliamentary instability and increasing voter disillusionment, Bill Shorten promises a new style of leadership.

In an exclusive interview, an expansive and reflective Shorten spoke about what he has learned after 5½ years as Opposition Leader, how he would lead a Labor government and his policy and political priorities.

“I’ve learnt that the best training ground to become prime minister of Australia is to be leader of the opposition because it tests you, you get examined, you get scrutinised,” he says. “I’ve visited all parts of Australia from the Top End to the bottom, east to west, and everywhere in between just about. I’ve spoken to literally hundreds of thousands of people.

“It’s just the things you see, the things you learn, the mistakes you make. And, to be fair, I’ve been tested. Plenty of people have written me and Labor off, and said it’s an impossible task. But that’s character building. I wouldn’t change a minute of the last 5½ years.

“What I discovered along the way is that you can concentrate on the destination but the journey is part of the lesson, it’s part of the experience. I’ve learnt a lot about myself. I’m an inclusive leader and respectful of my colleagues. These days I listen a lot more than I talk. When I make a decision, I stick to it.”

Shorten, who has nursed an ambition to be prime minister since he was a teenager, speaks the language of a transformational leader with a big vision for the country that would see a seismic shift in policy direction. He would lead a more interventionist government with huge spending commitments while promising to deliver larger budget surpluses and pay down debt.

“I’m ambitious for the nation, I’m ambitious for a bigger, brighter future for the country,” he says. “I want us to be a country that is secure in its own skin, confident in the world. I want us to tell a bigger, better story to our kids about who we are and I want to hand on a better deal to our kids than the one we got from our parents — that’s my vision.

“We’ve got a plan for Australia which includes all Australians. We think government should be for all the people, not just vested interests. We want to tackle cuts to hospitals and schools. We want to get wages moving again. We want to see the economy work in the interests of working and middle-class people. We want to take real action on climate change and renewable energy to lower energy prices.”

In seeking to radically transform the policy settings of government, Shorten presents himself as a unifier and a healer who can lift the country out of the swamp of endless, often mindless, political combat and herald a new era of Bob Hawke-style “consensus” politics. “This nation works best when we work together,” he says.

To achieve these lofty goals, Shorten employs the tools of a transactional leader: good at managing his party, a non-interventionist shadow cabinet chair, attentive to the needs of backbenchers, freely doing deals with factions and union leaders to maintain unity. He embraces the description.

“You can only build trust by keeping your transactions — that is the basis of trust,” he explains. “You say you’re going to do it, then you do it, and people say, ‘Well, I can trust him on that.’ The Labor Party is too big to be run by one person. The country is too big to be run by a messiah or by a dictator or by a one-trick pony.

“If you can’t manage your party, you can’t manage the government and you can’t manage the nation. So I always try to find, in any negotiation, the creation of mutual value. I will always try to understand your interests as well as mine, and then I look to where we can work together to create additional value.”

The transactional framework for leadership also applies externally, Shorten says. He can build coalitions with a diverse range of stakeholder groups on policy. He can manage the unions while pledging to work co-operatively with business.

“My whole track record is to bring people together. I did it at the Australian Workers Union. I did it in my enterprise bargaining. I did it with the National Disability Insurance Scheme. I’ve done it with the Labor Party.”

And Shorten says that with persuasive advocacy he can bring voters with him. He is not concerned about his relative low approval ratings or lagging Scott Morrison as preferred prime minister. Labor insiders concede he carries baggage as a faction leader who wielded the knife against Kevin Rudd and Julia Gillard. They say he will be preferred prime minister when he is the prime minister.

“I’ve argued for lots of change which, when I started off, people didn’t agree with,” Shorten says. “When I started arguing for the National Disability Insurance Scheme, you could have fitted our supporters into a small mini-van. Now Australia supports it. When I started pushing for the banking royal commission, everyone said that was not going to happen.”

This blend of transformational and transactional leadership, applied and tested in opposition, would provide the basis for prime ministerial power and authority. It is audacious in its scope and ambitious in its practical application. It may prove to be fantasy. But the times, Shorten insists, demand a new approach to government. It is about conveying a big vision with bold policies and then delivering on them.

“I’m not just fighting the government, I’m fighting the sense of disillusionment within Australian society that politics can’t change anything, it’s just a toxic swamp. And that’s why I want to put forward positive ideas.”

Those who aspire to be prime minister need to think about how they would run a government. They need to be able to master the art of politics while attending to the business of government. This is the essential recipe for electoral success and longevity in office that has eluded recent prime ministers.

Shorten says he wants to channel the leadership styles of Labor's past leaders. He waxes lyrical about John Curtin's "sense of Australian identity", Ben Chifley's approach to postwar planning, Gough Whitlam's "breadth of imagination", Hawke's "consensus and connection with the electorate" and Paul Keating's "forensic advocacy" of policy.

He refers to Morrison as "the current Prime Minister", a reminder of the Liberal Party's own leadership churn. Shorten has outlasted Malcolm Turnbull and Tony Abbott, and expects to succeed Morrison. He is "not a hater" and is reluctant to be drawn on their strengths and weaknesses. He says former prime ministers should be called on to play a continuing role in public life but is vague on how.

About 400 people squeezed into the Perth Town Hall on Wednesday night to hear from Shorten and ask him questions. There were lots of true believers but many were undecided voters. Shorten was in his element. He began with a standard stump speech that energised the audience and then answered two dozen questions. He was asked about issues such as encryption laws, electric cars, homelessness, refugees, live exports and Islamophobia. He responded to concerns about child custody arrangements, eating disorders, franking credits, financial sector regulation and cannabis.

He shed his suit jacket early, rolled up his sleeves and strolled into the centre aisle to respond in turn. He was less scripted than usual but the audience saw him engaged and interested in their concerns. He made a few jokes. He was not afraid to say he disagreed with a questioner or to correct their false assumptions about Labor policy.

Earlier, Shorten's red double-decker bus, emblazoned with his photo sandwiched between that of his deputy leader, Tanya Plibersek, and Premier Mark McGowan, arrived at the Steel Blue bootmaking business in Malaga. He donned a yellow vest and toured the factory. He was relaxed and conversed easily with employees and managers.

"Some people hate voting because all you get is another politician," he said, getting a laugh. "But how you vote affects what you do at work and in your life."

He followed with a soft sell of Labor's policies. A pair of mustard-coloured steel-capped boots was presented and he promised to make them part of his wardrobe.

Next was a visit to Trigg Beach to announce funding for SurfingWA. Shorten is not a surfer but he chatted to the snowy-haired kids lined up with their boards and posed for the cameras. "You look like a natural, Bill," one bystander yelled out. He encouraged the kids to surf in the morning and study in the evening, before he boarded the bus back to Perth.

It has been a long time since an opposition leader went to an election with such a bold set of policies in areas such as workplace relations, climate change, taxation, education and health. It is not quite as extensive as the Liberals' Fightback manifesto in 1993 or Labor's It's Time program in 1972. Nevertheless, Labor is promising substantial change across government.

But there are details missing from Labor's policies. When pushed to explain how Labor's ambitious climate change goals will be met, or the start date for curbing negative gearing and capital gains tax, or the finer details of its workplace relations policies, including a return to pattern bargaining for some sectors, Shorten bristles.

"Listen, I don't accept that we are a blank sheet of paper," he emphasises. "To be fair, though, we've outlined more policies in more detail than anyone in a couple of generations."

He restates Labor's emissions reduction target of 45 per cent and 50 per cent renewable energy goal by 2030. He reiterates the promise to restore penalty rates, reform work visa arrangements and tackle labour hire and sham contracting. He has been upfront on housing and superannuation tax deductions, and the abolition of franking credits. He vows to "stop people-smugglers" by maintaining offshore processing of refugees and turning back boats.

With Newspoll consistently showing the government headed towards a landslide election defeat, the opposition does not seem worried about calls to explain its policies in more detail. "We will fill the gaps in before the election," Shorten reassures. "They are legitimate questions and we'll answer them."

Shorten has spelled out Labor's agenda and priorities for government. There will be no Rudd-style 2020 summit. He says he won't be "getting out the butcher's paper" and asking "what do we do now?" He adds: "I'll always be in the business of talking to people but that won't be a particular mission of mine."

If elected, he imagines an activist and energetic start to government reminiscent of Franklin D. Roosevelt's fabled first 100 days. "We are going to be very busy the first week, the first month, the first 100 days of government," he says. "What I want to do is keep my word and go 100 per cent on the promises I've made."

He will not take up Rudd's crusade for a royal commission into News Corp, publisher of *The Weekend Australian*, or seek to regulate newspapers like the Gillard government. "It's not in my top 100 to-do list," he says.

"The preconditions of the Leveson inquiry I haven't seen."

Shorten sees no justification for a British-style inquiry into the media in Australia. He is, however, concerned about media concentration and did not support the changes to the cross-media ownership laws.

He has promised to restore funding to the ABC and protect its independence. And he has not ruled out regulating Facebook and Twitter to crack down on the promulgation of extremist political ideology.

He rejects the suggestion by business groups that he subscribes to class warfare or the politics of envy. "They're wrong. I talk to hundreds of businesses. I can't open the door without business people wanting to come to talk to me." He has a ready list of business-friendly policies that he runs down: corporate tax cuts, support for apprenticeships, accelerated tax deductions for investment, funding transport

infrastructure, backing new mining exploration and providing certainty with a new energy and climate change policy.

Shorten also promises to forge a co-operative relationship with unions and not be their prisoner. The labour movement, weakened by its dramatic fall in membership, does not have the workplace clout it once did. But it still wields considerable influence in the Labor Party.

“I’ve never hidden the fact that I’m a member of a trade union,” he says. “But I’ll be very clear because the government loves to muddy this water. To borrow from RJ Hawke, I will work with all sectors but I’ll be a handmaiden to none.”

If Shorten does lead the opposition to victory in May, he will be only the fourth Labor leader to do so in the postwar era, after Whitlam, Hawke and Rudd. He has already led the party longer than Rudd, Gillard or Keating. He has been a survivor, against the odds, and is now on the cusp of claiming the prime ministership.

While mainstream centre-left and centre-right parties have been convulsed across the democratic world — internally split, routed by voters or gripped by ideological soul-searching — Shorten says Labor will not suffer the same fate.

“People predicted the demise of the Labor Party not long after it was founded,” he says. “In 2013 we were apparently in an existential crisis driven by internal disunity (but) we didn’t implode (and) we didn’t split. In fact, the government did, even though they are in power. Surely you would have thought that being in opposition would be harder for a party, but I’ve outlasted Abbott, Turnbull, and we’ll see what happens between me and the current fellow.”

Shorten says his conception of leadership, demonstrated in opposition, will pay a dividend with voters. He has often been underestimated but he has lasted the distance. He has met test after test: by-elections, party conferences and seen off two prime ministers. His leadership has never been more secure. Anthony Albanese, who desperately wants to be Labor leader, has sheathed his sword.

Looking ahead, Shorten is unfazed by the internal challenges that inevitably will come over policy disagreements in cabinet or caucus, a demanding union movement or a party membership with unbridled expectations. He stresses he will deliver on his promises and not retreat from his ambitions. “If I win the election I’ll even have more authority than I do now, not less.” It is a revealing statement.

Shorten is more confident and self-assured, and polished in his pitch to voters, than he was three years ago when he faced his first election as party leader. He has matured. His team is united. He senses that Labor’s policy agenda is broadly in tune with the mood of the electorate. And he is ready, he insists, to govern.

“What I want people to know is that when I say I’m going to do something, I’m going to work as hard as I can to achieve it. I will work as hard as I can on behalf of the Australian people. You can’t always succeed at everything that you do but I want people to know that I will give it a red-hot go and put in 100 per cent.”

**SMH****Push grows for Liberals, unions to put One Nation last in outcry over racist speech**

David Crowe

Community groups are calling on all political leaders to put Pauline Hanson's One Nation last on how-to-vote cards at the federal election as pressure builds on all sides to take a tougher stand against the minor party.

Ethnic leaders warned against the danger of "racism and hate speech" in the wake of the Christchurch terror attack and said this meant all parties should punish Senator Hanson and her former Queensland colleague, Fraser Anning.

In another sign of a Coalition split on the question, NSW Liberal MP Craig Kelly argued One Nation should be placed ahead of the Greens despite a call days earlier from his Victorian colleague, Tim Wilson, to place One Nation last.

Prime Minister Scott Morrison has said he will not strike any "deals" with One Nation while leaving room for party officials to put Senator Hanson's candidates ahead of Labor and the Greens, an option being pursued by Nationals MPs in Queensland.

But the union movement is refusing to put One Nation last in its advertising to voters, sparking criticism of ACTU secretary Sally McManus for lacking the "moral fibre" to take a strong stand against Senator Hanson.

Senator Hanson has called Islam a "disease" while Senator Anning issued a statement after the Christchurch attacks saying Muslim immigration was the "real cause" of the deaths.

The Federation of Ethnic Communities' Councils of Australia said the views of One Nation and Senator Anning were "completely at odds" with Australia's aspirations as a country.

"FECCA calls on all parties to preference One Nation last. The only candidate who should be preferenced below One Nation is Fraser Anning in Queensland," said the council's chair, Mary Patetsos.

The executive director of the Australian Multicultural Foundation, Hass Dellal, also called for all parties to make a stand against One Nation.

"I would have thought if your values don't align with a particular party why would you preference them?" he said.

Ethnic Communities' Council of Victoria chair Kris Pavlidis said she would be disappointed if any parties gave preferences to One Nation or other extreme parties ahead of other candidates.

"I'd be very surprised if the unions were backing far-right extreme views – that would not sit well with us," Ms Pavlidis said.

The Queensland Council of Unions urged voters to put the Liberal National Party last at the Longman byelection last July even though this meant giving preferences to the One Nation candidate.

QCU general secretary Ros McLennan made no criticism of One Nation when asked if the unions would change their position at the general election.

"We're concentrating our efforts on a significant field campaign in target seats, talking to voters about the issues that matter to their families and communities – secure jobs and decent pay – and explaining that we need to change the government in order to change the rules," Ms McLennan said.

"The matter of preference statement [at] this election will be determined later in the campaign."

The nation's peak retail union, the Shop, Distributive and Allied Employees' Association, also made no comment on One Nation or its policies when asked if it believed the party should be put last. It responded to the question with its campaign slogan.

Opposition Leader Bill Shorten said Mr Morrison faced a test of his leadership over whether the Liberals and Nationals would put One Nation last on how-to-vote cards in every seat.

While Mr Shorten has pledged that Labor will put One Nation last across the country, there is no similar pledge from the ACTU or other unions.

ACTU advertisements have told voters to "put the Liberals last" without relegating One Nation to the final position.

"Of course we want to see far-right, fringe-dwelling extremists at the bottom of every ballot paper," Ms McManus said.

Mr Wilson said Mr Shorten should condemn Ms McManus for putting populism ahead of principle.

"By encouraging voters across Australia to put One Nation ahead of mainstream parties, Sally McManus and the ACTU have exposed their lack of moral fibre and

naked ambition to deliver Bill Shorten the Lodge at any price, and awaiting payback," Mr Wilson said.

### **My budget will drive up worker wages: Josh Frydenberg**

Shane Wright David Crowe Eryk Bagshaw

Treasurer Josh Frydenberg has vowed to "drive wages higher" using new policy measures to be unveiled in the April 2 budget, tackling concerns over sluggish income growth ahead of an election battle with Labor over the cost of living.

Mr Frydenberg told *The Sydney Morning Herald* and *The Age* the economic statement would give voters financial relief without an increase in taxes, signalling more help for Australian households amid growing talk of further income tax cuts.

Opposition leader Bill Shorten is preparing to use the election campaign, due to be called days after next Tuesday's budget, to target the Coalition over the low growth in wages, which have barely kept pace with inflation for the last three years.

Figures this week from the Reserve Bank showed bonuses, which the government has at times cited as evidence wages are increasing, have only gone to the top three percent of income earners.

Mr Frydenberg said while the budget would focus on delivering essential services, boosting growth and balancing the nation's books, it would also lift pay packets.

"Our budget will include measures in it that will drive wages higher," he said.

"It is going to be a pro-growth agenda and a pro-growth budget and it's going to do that without increasing taxes.

"What you need to do to drive higher wages is more trade, more infrastructure and keep the focus on lower taxes."

The message is crucial to the government's effort to counter Mr Shorten's call for big changes to lift wages, including laws to force an increase in penalty rates and reforms to the workplace relations regime.

A strong jobs market coupled with an improvement in tax revenues from the corporate sector, particular iron ore and coal miners, is expected to give Mr Frydenberg billions of dollars in extra revenue to help pay for personal tax cuts and increase pay packets.

But there are also signs both the national and global economies are slowing. Earlier this month, official figures showed the worst back-to-back gross domestic product growth in 13 years.



Mr Frydenberg said international trade disruption, recent natural disasters and the fall in Sydney and Melbourne's housing market all meant the economy had softened since the mid-year budget update in December.

Markets and economists increasingly believe the Reserve Bank will have to cut interest rates twice this year to deal with the softening economy. Jobs figures this week pointed to a slowdown in full-time job creation despite the unemployment rate hitting an eight year low of 4.9 per cent.

The total number of Australians in work in February rose by just 4600. Markets had been expecting a 15,000 increase.

Mr Frydenberg said Treasury "had concerns about lower house prices spilling over into building approvals and softer household consumption". Household consumption makes up nearly 60 percent of GDP.

In preparing the ground for softer than expected budget forecasts, he noted dwelling investment had detracted 0.2 per cent from the growth in the December quarter, the drought had caused farm GDP fall by 5.8 per cent and the impact of the Queensland floods is still yet to fully flow through the numbers.

"This is all manageable but only with a strong economic plan that gives business confidence to invest and consumers the confidence to spend and it will require a pro-growth agenda which is exactly what you will see in this budget," he said.

Mr Frydenberg would not be drawn on whether he would stick by the government's own policy to bank all extra revenue generated by the economy and offset all new spending with reductions elsewhere in the budget, or whether he would prioritise tax cuts over a return to surplus at 1 per cent of GDP.

"We are focused on delivering a surplus and also meeting some of the challenges that our economy faces," he said.

"But the focus is on getting policy right, growing the economy, guaranteeing essential services, balancing the books and then the politics will take care of itself."

### **The pressure on Josh Frydenberg for an election-winning budget**

Shane Wright

The weight and hopes of the Coalition government are sitting on the shoulders of Josh Frydenberg.

In 10 days the Treasurer will stand in the House of Representatives to deliver his first budget that will double as the government's re-election agenda.

It's only three years ago since Scott Morrison was in exactly the same position. The Coalition was expecting a budget boost that would woo voters and give Malcolm Turnbull command of the House and Senate in a double dissolution election.

"This cannot be just another budget, because these are extraordinary times," Morrison declared to the Parliament.

He never quite outlined what was quite so extraordinary about May 2016. Voters knew, however.

The budget had been brought forward a week so Turnbull could inflict on voters an election campaign so long that if it was a movie there would have been two intermissions.

Morrison used his speech to argue he was not delivering a budget but an "economic plan".

He used the word 27 times canvassing a string of different plans although the central one - "jobs and growth" - was built upon slicing the corporate tax rate to 25 per cent.

That plan, like Turnbull, has since been discarded.

Frydenberg is borrowing one element of the Morrison playbook. He says this coming budget will be the "next stage" of the government's economic plan.

Company tax cuts, however, are not part of it.

No, this one will be centred on wage and salary earners, mums and dads, pensioners and self-funded retirees, people fed up with congestion on their local road, people angry at long waits in hospital emergency wards, farmers desperate for assistance to get through another national disaster, people who want a government with a credible environment policy.

In other words, the voters who will determine the outcome of the May election.

We've already got a taste of what that means. In the mid-year budget, the government spent \$16 billion of the \$31 billion in extra revenue that the economy delivered it.

That's despite the government's stated policy to bank all improvements to the budget due to the economy .

So future taxpayers have already been delivered a \$15 billion bill with the tab likely to grow on April 2.

While Morrison's budget was brought forward a week, Frydenberg's budget is a full month earlier than planned. That means even more than the usual uncertainty around the economic and fiscal forecasts that will be used to justify the cash that will be locked-in for spending.

And then there's the wages equation. Bill Shorten is going to talk about soft wages growth all the way to election day.

Frydenberg says wages will grow because of what he announces on April 2. It's a bold promise and one that cannot be tested until well after polling day.

Three years ago, Morrison outlined an economic promised land based on the government's plan. There was a confidence within the government that voters would warm to that plan and deliver an emphatic electoral victory.

A new Prime Minister now needs his new Treasurer to outline a plan that not only boosts the government's stocks but also sets out a believable economic narrative, leaves space for election campaign sweeteners and targets Shorten.

No pressure.

### **Josh Frydenberg fights back in the battle for Kooyong**

Judith Ireland

Phil Elwood was a life-long Labor voter who never took much interest in politics. But all this changed when he met Josh Frydenberg.

Several years ago, Frydenberg dropped off Christmas hampers at Servants Community Housing in Melbourne's Kew, where Elwood lives. Since then, Frydenberg - who is the local federal MP - has played pool with Elwood. And helped him and other Servants residents see a Richmond Tigers training session.

It is perhaps an unlikely friendship for the Oxford and Harvard-educated Treasurer. Elwood has spent time in jail and had a three decades-long amphetamine addiction before turning his life around.

"He gives me a big cuddle every time he comes to my place," says Elwood, who also loves to take selfies with the Treasurer. "He's an amazing dude." Elwood is such a fan of Frydenberg, he has become a Kooyong campaign volunteer. On Saturdays, Elwood puts on a blue T-shirt and hands out Frydenberg flyers and tote bags in Kew. If people don't want a bag, he implores them: "It's good for shopping! It's good to put your beer in!"

The extra help is needed in Kooyong. In January, former Liberal Party member Oliver Yates announced he would run as an independent to take "real action" on climate change.

In March, barrister Julian Burnside was a high-profile recruit for the Greens. Then there is Labor's candidate, Jana Stewart, a family therapist and policy adviser. Stewart is Indigenous and has familial ties to traditional owners of the area.

Meanwhile, groups such as Kooyong Votes Climate, are agitating at the grass roots, encouraging locals to vote for the candidate they think will do the best job to mitigate climate change.

Frydenberg holds the wealthy, inner-Melbourne seat on what should be an insurmountable margin of 12.8 per cent. But the Victorian election last November saw surprising swings against the Liberal Party and three of the four states seats within Kooyong are now held by Labor.

"The whole of Melbourne is really volatile," Essential Media director Peter Lewis says. The October 2018 Wentworth byelection, where an independent won a blue ribbon Liberal seat, also shows voters are angry and traditions can be broken.

With reports the Liberal Party could double its spending, up to \$1 million, in Kooyong, the situation is being taken seriously. As the Treasurer prepares his first budget, he is also preparing to defend his seat.

Yates, who is a former head of the Clean Energy Finance Corporation, is already in full campaign mode. He says the majority of Liberal voters he meets are not happy about the party's record on climate change and the influence of the hard right of the party.

The independent candidate dismisses Frydenberg's record as a moderate who spearheaded the now-dumped National Energy Guarantee last year: "I'd argue he's had all the opportunity to stand up." According to Yates, Kooyong is "completely in play".

This week, Frydenberg posted a video to his social media accounts. Set to a stirring soundtrack, it is filled with local people singing his praises. Along with Elwood, there is a pharmacist, mental health worker, cafe and supermarket owners and groups that represent stroke patients, breast cancer sufferers and children with autism. There are kids at childcare, a netball player and a guide dog. There is even a group of nuns.

"Josh is our hero, absolute hero," one woman says, while a local drycleaner wonders whether Frydenberg is the only cabinet minister to pick up and drop off his own shirts.

While there is an obvious self-promotion aspect to the film, the fact that so many people would appear on his behalf also points to his strong local links. He is known as one of the hardest workers - and networkers - within the government.

This extends to the effort he makes in his electorate, which he has never regarded as "safe". This means there is no standing start ahead of the 2019 campaign and the unexpected entrants into the race. And yet, the fact that he made such a comprehensive video also suggests there is a level of concern. So too the Treasurer's requests to colleagues on Tuesday to retweet it.

"Just look at his behaviour," says Burnside. "He has taken time off to shoot a slick campaign video, just two weeks out from the most important federal budgets of his career."

Frydenberg tells *The Sydney Morning Herald* and *The Age* the video is about "giving people a snapshot of the community engagement that I've had". He also says he is not complacent about retaining his seat. "I'm very focussed on the campaign in Kooyong and delivering for my local community. I don't take anything for granted."

When asked about campaign spending in Kooyong, he says, "we'll spend money, just as the Greens, Labor and independents will."

Beyond the battle in Kooyong, the post-election period also looms. If the Coalition loses government, and Scott Morrison does not survive the aftermath, Frydenberg is seen as one of the main contenders for the Liberal leadership. If he can hold on to his seat.

Despite the high-profile challengers, political watchers still think Frydenberg will ultimately be safe. Australia Institute executive director Ben Oquist - who is a former chief of staff to Bob Brown - says Frydenberg's primary vote would need to be knocked from 58 per cent to 45 per cent before he was in real danger of losing.

"And while not impossible that is a big ask for someone who is popular locally, despite national Coalition failures on climate policy."

Election analyst Kevin Bonham agrees Frydenberg is likely to retain the seat once held by Robert Menzies. "It seems like a big call, [Frydenberg's opponents] need an enormous swing."

But the extra attention required in the seat means one of the Coalition's key figures will not be as free to travel during the election. Given the government's plans to bounce from the budget, straight into the election campaign, the contest in Kooyong will have implications for the Coalition's overall efforts.

"It is fascinating in itself that the Treasurer in the lead up to the budget, on the eve of an election, has to be devoting infrastructure, emotion and finances for a fight that shouldn't be on anyone's table," says Oquist.

## **Thousands evacuate as north braces for twin cyclones**

Peter Hannam

Two severe tropical cyclones will hammer northern Australia this weekend, smashing ecosystems and potentially leaving a hefty repair bill from damaging winds, storm surges and flooding.

Both Cyclone Trevor in the Gulf of Carpentaria and Cyclone Veronica off north-western Western Australia are likely to generate wind gusts reaching 275km/h as they near the coast, said Dean Sgarbossa, a senior meteorologist with the Bureau of Meteorology's extreme weather desk.

The trigger for the dual storms was a recent eastward pulse of cloud and rainfall along the equator, known as a Madden-Julian Oscillation. That helped shift southwards the monsoonal trough, which had been lying to Australia's north and producing a relatively dry wet season.

The right meteorological conditions combined with warmer than average waters, providing the energy needed for the cyclones to intensify rapidly, Mr Sgarbossa said. Waters in the Gulf are about 1 degree warmer than average, while those off the Pilbara are about 0.5-1 degree warmer than normal.

Both storms are likely to bring "damaging and dangerous waves", particularly Cyclone Veronica, whose coastal crossing around midday tomorrow, local time, is likely to coincide with some of highest natural tides of the year.

Cyclone Trevor, which this week traversed Cape York and has re-intensified, will likely cross the coast near the Northern Territory-Queensland border at about 10am, local time, today.

Preparations in the Territory included evacuations of about 2000 people from remote communities, an operation that ceased yesterday as the weather worsened, the government said.

Rainfall from Cyclone Trevor could reach 150-250 millimetres a day, with riverine flooding possible, Mr Sgarbossa said. The remnant low pressure could combine early next week with a cold front moving up from the south, bringing much-needed rain to parts of the Murray-Darling Basin. North-eastern NSW could also collect large falls.

Cyclone Veronica, last night tracking between the key iron-ore ports of Karratha and Port Hedland, is proving harder to predict.

If it stalls near the coast, rainfall near the storm's core could reach 500-700 millimetres a day, he said. The range of likely tracks is much broader, with a shift east or west possible.

Major iron-ore miners, BHP and Rio Tinto, said they had cleared their ports of ships as of yesterday, as the communities prepared for Cyclone Veronica. For now, rail

and mine operations – which are hundreds of kilometres inland – are continuing as normal, spokesmen for the companies said.

Veronica is forecast to reach category-5 by midday today but slow to a category-4 as it near the coast. Cyclone Trevor is likely to reach category-4 strength by this morning and maintain that power when it hits the coast.

Four years ago, northern Australia was hit by two similar strength storms, Marcia and Lam. They crossed the coast on the same day, the first time on record for such powerful storms.

### **Doubt on promise for 200km/h fast rail without new trains**

Timna Jacks Adam Carey

Scott Morrison's promise to build 200km/h fast rail services between Melbourne and Geelong will not be possible without new trains, a leading expert says.

The Prime Minister has promised to build high-speed rail line where trains would travel up to 200km/h, slashing the travel time between Geelong and Southern Cross Station to 32 minutes.

It would take about 10 years to build, with construction to begin in two years and the state government expected to pitch in \$2 billion.

But Mr Morrison's \$4 billion pre-election cash splash does not include money for new trains.

Alan Tudge, federal Urban Infrastructure Minister, said \$2 billion would go towards duplicating the track between Sunshine and Wyndham Vale, creating a dedicated line for the fast rail.

Separating the tracks would also increase capacity on the existing Geelong line, which has been plagued by overcrowding and poor reliability since the opening of the Regional Rail Link in 2015.

The remaining \$2 billion would be spent on upgrading the Geelong line.

Mr Tudge said new trains were traditionally bought by the state.

John Hearsch, president of expert rail think-tank Rail Futures, supports the push for faster rail to Geelong and says separating the tracks is long over-due.

But 32-minute services would not be possible without new trains, he said.

"Even with the substantial track upgrade and extra tracks, the best existing trains could achieve under ideal conditions is 39 minutes," he said.

"The existing [V/Line] rolling stock is designed for a maximum speed of 160km/h and is not authorised to run any faster."

The federal and state governments are at odds over what fast rail to Geelong will cost.

Victoria's Transport Infrastructure Minister Jacinta Allan said the project would cost between \$10 and \$15 billion.

She said it would require the removal of 14 level crossings, which would cost \$2 billion alone.

The state government set aside \$150 million to plan for the fast trains to Geelong before last year's state election.

Mr Hearsch agrees it would cost \$2 billion to remove the level crossings. And he estimates the entire project will cost \$5 billion in total.

The multi-billion dollar promise came as good news for Liberal MP Sarah Henderson whose electorate of Corangamite is considered one of the government's most vulnerable seats at the upcoming election.

Ms Henderson's narrow margin of 3.1 per cent in the seat was virtually wiped out in a redistribution of the seat's boundaries last year.

Newer, Labor-leaning suburbs in south-west Geelong were brought into the seat and the Liberal stronghold of Colac was shifted into neighbouring Wannon.

Minister Allan said she welcomed the infrastructure funding, but said "the funding put up by the Prime Minister won't deliver what he's promising".

"If they want to help deliver fast rail to Geelong they should ... get on board with our plan to build brand new tracks from Southern Cross Station to Wyndham Vale," she said.

But Public Transport Users Spokesman in Geelong Paul Westcott said the promise was a "great start" and would finish off what the \$3.65 billion Regional Rail Link was supposed to do.

The announcement closely mirrors a promise made by the state opposition before the election to build a \$19 billion high-speed regional rail link allowing for 32 minute services from Melbourne to Geelong.



Faster rail between Melbourne and Geelong is not rated an urgent priority by Infrastructure Australia, which says it will be needed in the next 10 to 15 years.

### **Government injects \$585m into tackling corporate crime and law-breaking executives**

David Crowe

Federal regulators will be given a \$585 million boost to investigate corporate crime and fund new lawsuits in a budget package that acts on the royal commission into banking misconduct.

Treasurer Josh Frydenberg expects the new funding to lead to more prosecutions of banking and finance executives after the commission warned that regulators were too reluctant to take cases to court.

The spending comes after weeks of criticism from Labor about the level of funding for the corporate watchdogs, given estimates from the opposition that the funding shortfall was worth \$200 million over the six years.

The new spending will be allocated over four years and will be funded by an increase in levies on business to pay for the regulators.

The funding in the April 2 budget will include \$400 million for the Australian Securities and Investments Commission to implement the wider powers it will gain in the wake of the royal commission.

This will support tougher regulation of credit, financial advice and insurance products, as well as "on-site supervision" of the biggest finance institutions.

The government is promising more "hardline" enforcement from ASIC as a result of the spending because in the wake of the royal commission it is meant to pursue a "why not litigate?" strategy.

Royal commissioner Ken Hayne found the regulators often tried to avoid taking matters to court and reached agreements with the banks and finance companies with enforceable undertakings or press releases.

"But the starting point for consideration is, and must always be, that the law is to be obeyed and enforced," he said.

"The rule of law requires no less. And adequate deterrence of misconduct depends upon visible public denunciation and punishment."

Mr Frydenberg said he wanted to restore a "culture of compliance" in the financial sector and was offering record levels of funding to do so.

"Australians must be able to trust the bank, insurer or super fund that they deal with and know that their interests will be protected," he said.

The package includes \$150 million for the Australian Prudential Regulation Authority, a 30 per cent increase in its overall funding, to toughen its application of the Banking Executive Accountability Regime.

The BEAR gives the regulator greater power to set banking remuneration under laws that came into effect for the major banks in July 2018 and are extended to other deposit-taking institutions in July this year.

Another \$35 million will be spent on the Federal Court so it can appoint two more judges and associated support staff so it can hear more criminal cases more quickly. This will also cover the construction of new court facilities.

Labor financial services spokeswoman Clare O'Neil warned last month that funding for ASIC had fallen in real terms since the Coalition came to power in 2013.

Labor estimates ASIC has been deprived of almost \$200 million in funding over the six years since the Coalition was elected, saying this has been a factor in the enforcement problem.

### **Labor plan to crack down on industry super executive pay**

Dana McCauley Adam Carey Stephen Miles

A scandal engulfing industry super funds over excessive pay could prompt a split with Labor after the opposition Leader Bill Shorten called for greater transparency on executive bonuses.

Asked whether an executive director of IFM Investors - owned by 20 industry superannuation funds and managing more than \$100 billion of assets - should be entitled to an alleged \$36 million bonus, Mr Shorten declined to comment directly.

"In the general issue of executive bonuses, yeah I think they can be too high - I think there should be transparency generally," Mr Shorten told reporters in Melbourne on Friday, saying he was unaware of the details of the case.

Court documents have alleged IFM Investors executive director Frederic Michel-Verdier, who is fighting sexual harassment allegations in the United Kingdom, was in line for a bonus of up to \$36 million, as revealed by the *Sydney Morning Herald* and *The Age* on Friday.

The jaw-dropping figure - which IFM disputes as "highly speculative" and "wildly inaccurate", while refusing to reveal the exact amount - has been described by insiders in the industry tasked with investing union members' retirement funds as "excessive".

It comes after Mr Shorten slammed corporate "fat cats" for criticising Labor's wages policy.

Labor's spokeswoman for financial services Clare O'Neil vowed to spearhead a crackdown on the sector if the party wins the coming election.

"I think all Australians would be concerned by any executive managing their superannuation being paid bonuses worth millions of dollars," Ms O'Neil said on Friday.

"Labor is the architect of Australia's compulsory superannuation system and if elected we will work day and night to ensure it's working in the best interests of members – not executives."

Labor has already pledged to force ASX-listed companies to report a chief executive-employee pay ratio in a plan to improve executive pay transparency.

Australian Council of Trade Unions ACTU secretary Sally McManus declined to comment when asked if industry super funds should be more transparent about executive pay.

IFM Investors chair Greg Combet, a former Labor minister and ACTU secretary, referred the *Sydney Morning Herald* and *The Age* to an external communications consultant, who declined to comment.

KPMG partner Paul Howes, a former board members of AustralianSuper who was previously AWU secretary, also declined to comment.

AustralianSuper is the largest single shareholder of IFM Investors, holding a 20.5 per cent stake.

Megan Motto, chief executive of the Governance Institute of Australia, said it was important that executive remuneration policies align with an entity's purpose and values.

"Remuneration is a key driver of culture so, when setting the level of remuneration, entities need to balance incentives with the implications for reputation and standing in the community, if it is seen to pay excessive remuneration," Ms Motto said.

## **PNG shakedown: Home Affairs contractor asked for \$8 million political donation**

Richard Baker

An Australian Government contractor on Manus Island was asked by a senior Papua New Guinea official in 2017 for a multi-million-dollar donation to the ruling party of Prime Minister Peter O'Neill.

When the company, which was working for the Home Affairs department on the offshore detention regime, refused the request, the company's senior managers began to encounter problems with visas for staff to enter or remain in PNG.

The contractor, which asked that its name not be used to protect the welfare of its Manus Island-based staff, rejected the donation request and reported it to senior department officials in late 2017. It's understood more than one contractor has experienced similar problems.

If the company had made the donation of 20 million Kina - about \$8 million — to the People's National Congress party, it would have likely committed a criminal offence under Australia's foreign bribery laws. There is no suggestion Mr O'Neill was aware of the donation request.

Home Affairs did not address questions on how it responded to the political donation request. A spokesman said contractors were required to abide by the laws of Australia, PNG and Nauru, including compliance with foreign bribery legislation.

An investigation by *The Age* and *Sydney Morning Herald* has found serious problems with Australia's exposure to corruption through the \$5 billion offshore detention, as well as its wider interactions on PNG.

Australia's law enforcement integrity watchdog has identified "corruption issues" within the Australian Federal Police's procurement practices in PNG following a 2017 whistleblower complaint.

Despite finding two instances of possible corruption within the AFP's PNG procurements, the Australian Commission for Law Enforcement Integrity referred the matter back to the police to let the force investigate itself.

Serious doubts over the adequacy of the AFP's subsequent investigation have since emerged, with no federal police agents, unsworn staff or contract winners questioned. Instead, a paperwork audit of the contracts was done.

*The Age* and *Herald* can also reveal that Australian agencies have experienced similar problems when providing payments to PNG to shore-up the revival of the Lombrum naval base to curb China's regional influence.

PNG government representatives also began to make demands in high-level meetings in Canberra for Home Affairs to order its Australian-owned and operated contractors to hire PNG companies on lucrative sub-contracts.

While Australian government agencies and departments refer to PNG as a “difficult environment” to operate in, an internal 2018 AFP report seen by *The Age* and *Sydney Morning Herald* is more direct and describes PNG as having “significant corruption issues”.

Australia’s offshore detention policy, supported by both Labor and Coalition federal governments since its operational revival in 2013, has cost more than \$5 billion.

Huge contracts have been awarded to companies in cloudy circumstances. These are often then split into sub-contracts involving politically-connected PNG-based interests.

This flow of money, according to several well-placed sources working for Home Affairs and the PNG government, has created a culture of expectation among some senior PNG politicians and officials.

“With offshore detention and now the Lombrum base on the agenda there is an attitude in some senior levels in PNG that they have Australia over a barrel,” said one Australian contractor with long experience in PNG.

*The Age* and *Sydney Morning Herald* last week revealed emails from within PNG’s biggest bank where a senior manager wrote that he believed his client, a PNG landowner company called NKW Holdings, was inflating its invoices to the Australian government under an \$82 million contract awarded by Home Affairs.

The AFP spent almost \$50 million and had dozens of officers based in PNG as part of Australia’s commitment to help the country safely host last year’s APEC summit.

At least four former PNG-based federal police officers were concerned about procurement practices and alleged conflicts of interest involving millions of dollars worth of contracts.

The Australian Commission for Law Enforcement Integrity assessed information about the AFP’s PNG procurement arrangements and deemed that two corruption issues were identified.

It then referred the matter back to the AFP for investigation and an unsworn staff member began a paperwork audit of relevant PNG contracts.

This process found that the signatures of senior officials whose approval was required to award a \$1 million building contract to Red Sea Housing Services — which had already won several federal police-funded tenders in PNG without competition - were copied and pasted in breach of procurement rules.

A handful of contracts had also not been registered on the AFP's procurement database as required.

Several AFP officers formerly based in PNG are understood to be deeply disappointed with the way the federal police investigated their allegations. Among the allegations was the claim that direct approaches had been made to Saudi-owned building firm Red Sea Housing Services for the purchase of jet skis and provision of dogs for the PNG police.

No interviews were done with AFP officers or winning contractors and alleged conflicts of interest and a "drinking club" culture involving senior federal police based in PNG was also not investigated.

The overall finding of the paperwork audit was that nearly all the AFP's PNG contracts were being documented properly and meeting procurement criteria. It did note that the AFP mission in PNG was extensively using exemptions in procurement rules to engage suppliers directly.

"Processes in Mission need to be looked at to ensure the justification for the items/services being procured are robust, justified and are the best use of Commonwealth resources," the investigation report concluded.

An AFP spokesman confirmed complaints were raised and an investigation followed. But he was not able to discuss the nature of the investigation or its findings.

Lengthy written complaints by several former PNG-based AFP agents detail a broader story about the workplace culture of the federal police mission in Port Moresby and its effect on procurement practices.

The complaints raise questions about the process that led to a \$1.1 million contract to provide bomb detection dogs and training to the PNG police force being awarded to a company part-owned by a former senior New South Wales policeman.

At least three former PNG-based AFP agents raised concerns about the canine contract, including the apparent loss of documentation authorising a direct approach to Queensland Police about its dogs and a subsequent directive to invite Dog Force Group Pty Ltd to tender for provision of dogs to PNG police.

Dog Force Group is part owned by former senior NSW policeman, who used to work with at least one of the AFP's PNG-based officer. There is no suggestion of any wrongdoing by Dog Force Group nor doubts about its ability to carry out the contract.

However, there were contrasting opinions about whether Dog Force Group or a competing company were best qualified to fulfil the needs of the contract.

A decision by an unsworn AFP coordinator in PNG to overrule the position of the force's maritime advisers to buy six jet skis at the cost of \$100,000 at extremely short notice was also raised in the whistleblower complaint.

The jet skis were gifted to PNG police who were not trained to operate them.

"No one in mission, including Maritime advisers are qualified to operate these jet skis let alone train RPNGC members ... it is irresponsible and dangerous," the complaint stated.

The AFP spokesman said staff deployed overseas underwent special governance training. If an investigation raised issues with procurement practices overseas, action was taken to ensure to prevent future problems, he said.

### **Australian coal better for China, says expert**

Kirsty Needham

Beijing: A long-term coal supply deal between China and the US wouldn't represent good "commercial value" compared to China buying Australian coal, a US energy security expert says.

Donald Trump's trade negotiators travel to Beijing next Thursday to try to close a deal to end a damaging trade war with China, and billions of dollars in special energy and agricultural supply contracts are on the table.

Australian coal has faced long delays unloading at Chinese ports since January, with Chinese customs stepping up environmental and quality checks. Chinese traders have reported only Australian and Mongolian coal appear to be impacted.

"It is entirely possible that what we are seeing in the Australian coal delay is due to China's 'managed' trade as China is still a managed economy," says Jane Nakano, a senior fellow in the energy and national security program at Washington's Centre for Strategic and International Studies.

"It also is entirely possible that some long-term coal supply deal may be in the making between Washington and Beijing as it's been an uphill battle for the US administration to find a viable way to help the domestic coal industry and Beijing is under a significant pressure to please Washington."

But Nakano, a former US energy department official, pointed out such a deal – should it be struck – wouldn't represent good value for Chinese companies buying the US coal.

It has been reported in American media that a six-year, \$US600 billion (\$841 billion) purchasing agreement will form part of the deal to address Trump's concern about reducing the trade deficit.

### **Labor's industrial muscle man John Setka is 'Here to stay'. Or is he?**

Ben Schneiders Royce Millar

"John Setka. Here to stay," rang out an impromptu chant from hundreds of building workers.

"John Setka. Here to stay. John Setka. Here to stay."

The rallying cry came in a closed-door meeting at the construction union's headquarters last month. It made some who heard it cringe, but it was just one among a number of pledges of support and loyalty to Setka, the CFMEU's embattled Victorian secretary.

In other circumstances, this might not be unusual.

The union's members are known for their proud public rallying around the Eureka flag to defend their leaders from politically motivated attacks, corruption allegations and industrial laws that they believe target them.

But on this occasion, the union's leadership did not want details of the meeting leaking out.

Setka is facing a large number of criminal charges over a range of alleged offences that have nothing to do with his industrial activism. They include charges of recklessly causing injury to a woman, which carries a maximum penalty of five years jail. He has also been charged with using a carriage service to harass a woman.

More than 20 additional offences of breaching a court order were added to the case against Setka last week.

The matters are currently before the courts, and Setka has the right to the presumption of innocence.

But ahead of a federal election in which Labor will accuse the Liberal Party of having a "woman problem," and in a climate where any suggestion of violence against women is politically and socially toxic, some senior Labor and union figures, including from within his own union, believe Setka's position as secretary has become untenable – guilty or not.

Setka and his supporters clearly disagree. The chant shows they are digging in. He has taken personal leave but remains the union's secretary.



Setka, who is known as a hard industrial bargainer and, as a younger man worked for the militant Builders Labourers Federation, is the democratically-elected Victorian construction division leader. Unless he is convicted of a crime, there appears to be few legal grounds to force him out.

“Yep it’s a nightmare,” concedes another Victorian union chief.

“It’s a real mess,” says a senior Labor MP.

The Setka problem is also one for opposition leader Bill Shorten.

The internecine factional workings of the labour movement mean the ALP leader – a long-standing leader of the party’s right faction – is heavily reliant on the left-wing national Construction, Forestry, Maritime, Mining, Energy Union (CFMMEU).

With the demise of once great industrial unions, the CFMMEU is important financially to the ALP. Setka’s Victorian branch alone has given more than \$1 million to Labor in the past five years.

For several days *The Age* and *Sydney Morning Herald* sought comment from Mr Shorten’s office about Setka. Eventually, through an unnamed spokeswoman, Mr Shorten said no view would be offered.

“As the matter is before the courts it would be inappropriate to comment,” she said.

CFMMEU national secretary Michael O’Connor did not respond to questions.

And ACTU secretary Sally McManus also did not directly answer questions about Setka.

Instead, an unnamed ACTU spokesman replied in writing condemning violence and saying that people subject to accusations “have a right to a fair legal process”.

Despite the political discomfort that Setka’s situation has brought to their movement, several union leaders have said they do not believe Setka needs to stand down.

Others say he should have gone as soon as he was charged by police.

Setka has a long and complicated history with Labor. He has unloaded on party elders Greg Combet and Wayne Swan and seems uncomfortable with the party, despite his union’s strong financial support for it.

He worked for the Builders Labourers Federation, which was deregistered by federal and state Labor governments in 1986.

"Dare to struggle, dare to win" was the creed he learned as a young official with the Maoist-inspired BLF. He came to personify the BLF's rebel culture when it merged with the CFMEU in the 1990s.

Setka has been in an almost constant battle since with employers, governments, building inspectors and police.

In recent times Setka and his assistant, Shaun Reardon, beat blackmail charges that many in the union movement regarded as a politically motivated beat-up stemming from Tony Abbott's royal commission into unions.

Setka, in his only statement since being charged with the most recent offences, said the earlier blackmail charges had put an "extremely enormous strain" on him and his family. He is now estranged from his partner Emma Walters, a lawyer and one-time parliamentary aspirant.

"Over the last three years my wife Emma and my children David, Kate and Johnny have suffered immensely from the ongoing political and ideological attacks on myself as a union leader."

Setka will appear in court again next month for another procedural hearing. Senior Labor figures are watching closely.

### **Georgina Downer novelty cheque prompts auditor to review entire grants program**

Michael Koziol

A giant novelty cheque handed to a local bowling club by Liberal candidate Georgina Downer has prompted the national auditor to review the federal government's entire grants program for community sports infrastructure.

Ms Downer attracted criticism last month when she presented a cheque for \$127,000 to the Yankalilla Bowling Club in the South Australian electorate of Mayo, where she is trying to defeat Centre Alliance MP Rebekha Sharkie.

The cheque bore Ms Downer's name and face, as well as the Liberal Party logo. Labor claimed she was trying to "deceive Australians about the true source of this taxpayer-funded grant", and complained to the Australian National Audit Office.

Auditor-General Grant Hehir made no finding on that allegation but agreed to review the entire \$230 million Community Sport Infrastructure Program, which is not required to comply with normal guidelines controlling how taxpayer-funded grants are awarded.

In a letter to shadow attorney-general Mark Dreyfus, Mr Hehir noted the program was run by Sport Australia and "unlike most competitive, merits-based grants programs my office has examined", it was not subject to the Commonwealth Grants Rules and Guidelines.

He pledged to review whether the program was run properly, whether applications were assessed soundly and whether funding decisions were informed by clear advice.

All grants awarded in the program's first iteration - worth \$29.7 million - would be included in the assessment, Mr Hehir said, as well as those that were part of a \$30.3 million extension of the program - including the grant to the Yankalilla Bowling Club.

"Should further funding be awarded under the program, I would consider extending the scope of the audit to include the relevant decision-making processes," Mr Hehir said.

The program was launched in 2018 and awards grants of up to \$500,000 for local sports infrastructure in a bid to get more Australians participating in physical activity. The first round saw more than 2000 applicants make requests for nearly \$400 million in public funds.

Ms Downer - the daughter of former foreign minister Alexander Downer - last month said she was invited to attend the celebratory function by the bowling club because she helped prepare their application.

Liberal Party SA state director Sascha Meldrum said it was "ridiculous" to imply Ms Downer had breached any guidelines. "She wasn't taking credit [for the grant]," Ms Meldrum said.

A spokesman for Sports Minister Bridget McKenzie last month said the Yankalilla grant had been recommended to the government by Sport Australia.

### **International fight over plain packaging cost taxpayers \$12 million**

Dana McCauley

The cost of fighting tobacco giant Phillip Morris's challenge to Australia's plain packaging laws in an international tribunal has been revealed as more than \$23 million.

And despite winning the six-year battle against big tobacco, court documents revealed under Freedom of Information laws show taxpayers were left to foot legal bills worth \$12 million, after a the cigarette manufacturer was ordered to pay about half of the Commonwealth's legal fees.

"That's outrageous, given they were knocked out in the case," former Treasurer Wayne Swan, who had helped draft the plain-packaging laws and was called by Australia to give evidence during secret hearings in 2015, told the *The Sydney Morning Herald* and *The Age*.

"It's just another example of why investor-state dispute settlement clauses shouldn't be entered into," Mr Swan said.

"The fact that we had to fight a case over this in the first place is an outrage. The lesson is, don't sign those clauses - that's what got us into this.

"The one they cited should never have been applied in this case, this is an act of pure bastardry by Philip Morris."

The Australian government also spent more than \$530,000 on non-recoupable arbitration fees in the case.

The tobaccos giant had pursued the Australian government over its world-first plain-packaging laws - introduced by Julia Gillard's Labor government in 2011 - under international law after failing to overturn them in the High Court.

In a last-ditch attempt to defeat the legislation, Philip Morris Asia mounted a challenge in the Singapore-based international court using provisions - known as investor-state dispute settlement - of an obscure Hong Kong-Australia investment treaty.

The Permanent Court of Arbitration's costs ruling was kept secret for two years, with the amount in the published decision redacted, forcing not-for-profit Australian Fair Trade and Investment Group forced to lodge multiple FOIs to get the full details.

The not-for-profit's convener Patricia Ranald said it was "outrageous" that Australia was only awarded half of its costs, with the case highlighting "the unacceptable secrecy and lack of public accountability" surrounding investor-state provisions in international trade agreements.

Attorney-General Christian Porter said the government "welcomes Australia's resounding victory in the WTO tobacco plain packaging disputes".

"The government's approach was to fully defend this case. That is what happened and Australia was successful as a result," Mr Porter said.

"The tribunal found that Australia's claimed costs of \$23 million were reasonable, and in accordance with standard practice apportioned costs between the parties to the arbitration."

A previous FOI revealed the total legal costs incurred by the Australian government, including in the High Court and at the World Trade Organisation, were \$39 million.

## **Prominent Australians call for stop to War Memorial expansion**

Doug Dingwall

A group of prominent Australians has united in calling for a stop to the national war memorial's planned expansion, saying the \$498 million project is unjustified.

Novelists Tom Keneally and Richard Flanagan, author and speechwriter Don Watson, Australia's first female premier Carmen Lawrence, historians and a group of ex-senior public servants and diplomats are among 83 signatories to an open letter saying the money could be better spent.

Among the opponents are 24 Australians awarded the highest national honours, former Australian War Memorial director Brendon Kelson, former deputy director Michael McKernan, and five of its ex-staff. Leading architects and journalists joined them in opposing the overhaul.

Historians Mark McKenna, Stuart Macintyre, Marilyn Lake, Carolyn Holbrook and Henry Reynolds, and former Australian Human Rights Commission president Gillian Triggs, are among those who signed the letter.

It warned the expansion would offer memorial director Brendan Nelson a permanent legacy like that of none of his predecessors, and rejected the controversial planned demolition of the award-winning, 17-year-old Anzac Hall.

"The memorial should be revered, but Australia has many stories and Dr Nelson's excessive veneration of the Anzac story denies the richness of our history," the letter said.

"Dr Nelson wants added space to display more of the big artefacts representing recent, but purportedly 'forgotten' conflicts, and to 'heal' veterans."

Recent conflicts should instead be presented in proportion to their significance, and the departments of Defence and Veterans' Affairs were responsible for veteran welfare, the letter said.

Opponents said the expansion, which has bipartisan support and would begin next year, showed the memorial received favour over other more cash-strapped national institutions.

"We have just seen over \$350 million spent by the Commonwealth on the Anzac centenary and the Sir John Monash Centre in France. Should further money be spent on these extensions rather than on other needy cultural institutions or direct benefits to veterans and their families?"

A war memorial spokesman said it consulted the public about the redevelopment and engaged with architects opposed to the planned demolition of Anzac Hall.

"A decision had been made by the Australian government to support the project, as the overwhelming majority of Australians do, and it will proceed as planned," he said.

"The memorial's mission includes leading the development of understanding of Australia's wartime experience. A worthy part of this is enabling veterans to feel the memorial is a safe space for them to engage with and own their stories, and those of their predecessors."

The expansion would enhance the memorial and open more of the original building and collection to visitors, the spokesman said.

"The memorial's external façade and heritage components will not be affected."

Expansion works face several hurdles including heritage approvals and the nod from the agency managing Commonwealth land in Canberra. The memorial expects to seek the heritage green light from the Environment Minister by June, and to apply for National Capital Authority approval early next year. The authority said it will consult the public in deciding on the proposal.

Editor of the Honest History website David Stephens, who circulated the letter, said it was an attempt to open discussion and apply more scrutiny to the expansion.

Richard Flanagan has previously warned against the growing militarisation of Australia's national memory and questioned the war memorial's expansion in Canberra, asking whether the project's funding would be better spent on a world-class national museum honouring 60,000 years of Indigenous history.

Historian Stuart Macintyre said there was a growing danger of over-development compromising the memorial's original design. The memorial's mission had changed in a way World War I official correspondent Charles Bean, who helped create the institution, would have rejected.

"This is a place he thought was a lasting memorial that we would visit, in which people would get fuller appreciation of what had happened, and where they would reflect, not where they were told what they should think," he said.

Walkley award-winning journalist and signatory Paul Daley, who lived in Canberra for 20 years, said public institutions preserving the nation's memory were buckling under budget cuts and efficiency dividends, while the war memorial proceeded with costly expansion plans. The National Library and National Archives needed more funding.

"It comes down to questionable priorities," he said.

Historian Carolyn Holbrook called for the reversal of expansion plans. Another historian and signatory, Mark McKenna, said the Commonwealth should instead build a National Keeping Place in the parliamentary triangle to house Aboriginal and Torres Strait Islander ancestral remains with no known community of origin. He also supported a national memorial to those who died in the frontier wars.

The government announced funding for the war memorial's expansion in November.

The memorial's spokesman said the funding of other national institutions was a matter for them and the federal government.

### **Cash push for acclaimed scheme that keeps at-risk students in school**

Tony Wright

A program designed to keep “at-risk” students at school, which is reported to help save taxpayers billions of dollars, has won overwhelming support from formerly despairing parents.

But 20 years after it began at a single school on the Mornington Peninsula, Hands On Learning still has no federal government funding.

The program, which has spread to 90 schools, mostly in Victoria, aims to prevent disengaged students from dropping out by involving them, one day a week, in practical exercises outside the classroom to teach them responsibility, teamwork and problem solving.

A recent survey of parents of children involved in Hands On Learning at 21 of those schools found extraordinary support, with 99 per cent of parents reporting the program had given their children the chance to learn by doing real and meaningful projects.

The survey of 149 parents by aid group Save the Children also found 95 per cent believed their children had improved their chances of employment by undertaking such projects, and 85 per cent said Hands On Learning was the main reason their children had been motivated to attend school.

Save the Children, which operates Hands On Learning through philanthropic donations, has appealed to the federal government for \$10 million to extend the program to 300 schools across the nation.

However, federal Education Minister Dan Tehan, who said on Friday he wouldn't speculate about what might be in the April 2 budget, wasn't offering hope.

“The Department of Education and Training has not previously provided funding or support for Save the Children's Hands On Learning program, and there has been no

assessment by the department of the impact of this program,” Mr Tehan said on Friday.

The opposition, however, is taking new interest.

The Deputy Opposition Leader and Labor’s spokeswoman on education, Tanya Plibersek, will visit Hands On Learning at Mount Eliza Secondary College on Tuesday.

Though she did not mention any potential funding commitment, Ms Plibersek said she was undertaking the visit “to see the terrific work firsthand”.

Apart from Save the Children’s funding, the Victorian state government provides two “artisan” teachers to each school hosting the program. These teachers have extensive life and work experiences outside the education system.

Save the Children chief executive Paul Ronalds said the case for expanding the program was overwhelming.

“Right now, Australia has 80,000 or more kids who are not finishing year 12. That’s a social and educational problem of epic proportions,” he said.

Mr Ronalds said the financial cost was huge. He pointed to a 2014 Mitchell Institute study that calculated the total cost to the taxpayer of those who didn’t complete secondary school at \$12 billion over their lifetimes.

A Deloitte Access Economics report had found the net benefit of providing Hands On Learning between 1999 and 2012 had been \$1.6 billion.

### **Morrison, Shorten will pay heed to close-fought NSW election**

Tim Colebatch

We all knew Labor was going to win the Victorian election. We know it is going to win the federal election. But Saturday’s New South Wales election looks set to be the close one.

The final opinion polls were yet to be revealed at the time of writing, but the previous statewide polls were very tight. YouGov Galaxy and Newspann in the past fortnight have told us that the vote after preferences is 50/50.

The UComms/Reachtel poll in the *Sydney Morning Herald* two weeks ago found Labor ahead 51-49.



Saturday will show whether that has survived Labor leader Michael Daley's nightmare final week. All political leaders quote the wrong number sometimes, and true, as Daley says, politics is not a memory contest. But as his verbal errors on costings piled up, and his clumsy comments on Asian migration reverberated, many undecided voters might well have concluded that he seems a good bloke but not up to the job.

The punters certainly think his stumbles have made a difference. A week ago, the bookies' odds showed they were tipping a Coalition victory, but were more certain that, whoever won, NSW would end up with a minority government.

Now, the punters are confident that the Coalition will win, but are divided over whether it will have a majority government or govern as a minority, relying on independents and the Shooters, Fishers and Farmers Party for support.

But in Victoria four months ago, the polls and punters got it badly wrong. They forecast a close Labor win, but it was a landslide. They had the direction right, but not the magnitude. Could they be making the same mistake in New South Wales?

In a sense, this election shouldn't even be close. Eight years ago, the Liberals and Nationals swept into power with a crushing 16.5 per cent swing after 16 years of Labor government. The Coalition won 64.2 per cent of the two-party vote: the highest two-party vote ever recorded in any federal or state election for yonks.

Labor was reduced to just 20 seats in the 93-member Legislative Assembly, to the Coalition's 69. A victory on that scale surely should have set them up for at least three terms in office.

Yet in 2015, most of that swing came back Labor's way. The Coalition lost 15 seats – 14 to Labor, one to the Greens – and its two-party vote dropped to 54.3 per cent. It still had 54 seats to Labor's 34. While this gave Labor a chance to win in 2019, no one believed it would.

But then the Coalition decided to ban greyhound racing and merge local councils. A run of by-elections saw it suffer humiliating losses in two safe seats, and narrow escapes in two others.

Mike Baird resigned, and Gladys Berejiklian became the state's first female premier. The government's lead in the polls all but vanished.

Then Malcolm Turnbull was dumped as Prime Minister, and Michael Daley replaced Luke Foley as Labor leader. And the polls swung marginally Labor's way.

Who will win? Will it be a hung Parliament? Let's look at five clues.

### **1. The polls**

The polls up to last weekend pointed to a very close contest. The statewide polls, averaged out, implied a 5 per cent swing to Labor. The seat-by-seat polls have averaged a 6 per cent swing.

But only six Coalition seats are within reach of a 5 per cent swing. Swings are never uniform, but if Labor wins six seats from the Coalition, that would give us 46 Coalition MPs, 40 Labor, three Greens, one Shooter and three independents. It'd be anyone's guess who formed government.

Polling individual seats is unreliable, but for what it's worth, the six seat polls published by You Gov in the *Daily Telegraph* on average show a 6 per cent swing to Labor. That matters, because the Coalition has 13 more seats within range of a 10 per cent swing – and who wins most of them will win government.

The message from the polls up to last weekend was: close result, probable hung Parliament, no clear winner. But remember: in Victoria in November the polls overstated the Coalition vote after preferences by a massive 4 per cent.

## **2. The punters**

What about the punters? Surely some of them have inside knowledge of what's happening on the ground, and can guide us on the outcome in specific seats?

Sadly, no. Australian punters are prone to backing sitting members, and Coalition candidates. In Victoria, three bookies I tracked in the final days had Labor at average odds of 4.25/1 to win Bayswater, 5.50 to win Mount Waverley, at 8/1 to win Box Hill and in Ringwood and at double figures in Hawthorn and Nepean. Yet Labor won all six seats.

Every betting website now has the Coalition odds-on to win. On average, they imply that Labor has only a one in three chance of forming government, and the Coalition two in three. They still expect a hung Parliament, but even that is sliding to a 50/50 chance.

It's still close. In individual seat betting, Sportsbet's odds early on Friday gave the Coalition just 47 of the 93 seats, to Labor's 39. Labor would gain just five seats – Coogee (2.9 per cent swing needed), East Hills (0.4), Lismore (0.2, assuming Labor beats the Greens into third place), Tweed (3.2) and Upper Hunter (2.9). The Shooters would take Barwon from the Coalition, which would however reclaim Ballina (3.1) from the Greens.

That's tight. One way or another, there will be some sorry punters on Saturday night.

## **3. The byelections**

Byelections often go against governments – but not like they have under this government. Since 2016 the Coalition has faced six byelections in what had been very safe seats, mostly in the bush. It lost Orange to the Shooters and Wagga Wagga to an independent, a local doctor. It nearly lost Murray to the Shooters, and North Shore to an independent.

In all the byelections it contested, the average swing against it was 16.6 per cent. In contests with Labor alone, the swing was 12.6 per cent. These are not ordinary anti-

government swings. They imply that a government is on the ropes. If it wins today, that would be some rebound.

#### **4. The shadow of the Federal government**

Victorian Liberals say the party's support at state level dived 3 per cent when federal MPs dumped Malcolm Turnbull as prime minister, and never recovered. Quarterly data from Newspoll suggests federal coalition support has plummeted even more in NSW than in Victoria.

An unpopular federal government is lead in the saddlebags of state colleagues. As a young reporter I covered the 1975 South Australian election when the popular Don Dunstan was almost swept from office by voters busting to throw out the Whitlam government. Morrison is not as unpopular as Whitlam became, and in NSW both parties are targeting state issues, but this will have an impact.

#### **5. History is against the Coalition**

It is now almost 40 years since a Coalition state government has won a third term in office – in Western Australia in 1980. Since then, seven Coalition state government have sought a third term, but every one of them lost the election.

They were:

- Tasmania in 1989 (when Robin Gray lost to Michael Field)
- NSW in 1995 (when John Fahey lost to Bob Carr)
- Tasmania in 1998 (when Tony Rundle lost to Jim Bacon)
- Victoria in 1999 (when Jeff Kennett lost to Steve Bracks)
- WA in 2001 (when Richard Court lost to Geoff Gallop)
- South Australia in 2002 (when Rob Kerin lost to Mike Rann)
- WA in 2017 (when Colin Barnett lost to Mike McGowan).

That's quite a record. One day a Coalition state government will win a third term again, but that history can't inspire confidence when the contest looks so close.

Labor usually wins state elections. Since 1981 it has won 42 of them, the Coalition just 25. In the mainland states, Labor has won two out of every three elections: 37 wins to 19. Despite this week, could they be about to win another?

#### **A tectonic shift to the left in the Australian political landscape**

Tom Switzer

Australia is entering a new political era. Unless conservatives and genuine liberals make persuasive counter-arguments, we could be in the midst of a fundamental realignment in the Australian cultural landscape that entrenches progressive shibboleths for a generation.

It's a far cry from the Howard years (1996-2007). In those days, it was those on the ideological left who were in a despondent mood, because conservatives increasingly represented the political mainstream.

For a man routinely described as lacking charisma, John Howard managed to hit just the right tone. He showed that integration was the key to social cohesion. Citizenship tests were born. The republic was passe.

Able supported by Philip Ruddock, Howard showed that controlled border protection benefits nobody more than the immigrants who come here fairly and legally. As a result, it helped damp down the fires of racism and xenophobia. (Just look at Europe today.)

Markets and fiscal rectitude occupied the economic policy high ground: Peter Costello paid off the debt while Peter Reith stared down the last gasps of old-style union militancy.

School bureaucrats were widely slammed for pushing politically correct curriculum that was aimed at finding hidden racism and sexism in great works of literature.

Practical reconciliation defined indigenous issues. Even *The Sydney Morning Herald* editorialised in 2007 against the "glib symbolism" of an apology, saying it was a "practically useless" gesture that would have "no constructive outcome".

The left was in despair. In an address to the Sydney Institute in 2003, Julia Gillard conceded: "Howard has won his culture war." After Howard's fourth election in 2004, former Keating speechwriter Don Watson observed that the "worst thing Labor has to swallow is the completeness of the ideological victory".

My Radio National colleague Phillip Adams lamented in 2007 that the left's "population in the press is so small as to constitute extinction.

We are dead parrots ... giving the illusion of life because we are nailed to our perches." At writers' festivals across the nation, the intellectual elite was whipping itself into a lather and raging about how Howard and Costello had stifled ideas and silenced debate and corrupted democracy.

However, far from being silenced, left-wing voices had been losing relevance – as one Kevin Rudd recognised. Remember, the only way the self-described "economic conservative" could beat Howard was by mimicking his agenda.

Times have changed. The oldest 20 per cent of the electorate in 2004 who largely voted for the Coalition has been replaced today by the youngest 20 per cent of voters who lurch left. Social media and twitter trolls are all the rage. Polls show socialism has risen in stature, especially among millennials.

Re-empowered trade unions are likely to return. Climate change action is back in vogue just six years since Tony Abbott's anti-carbon tax landslide election.

Meanwhile, fringe university campus politics has gone mainstream. Witness the campaign for identity politics, which seeks to divide people along racial, ethnic and gender lines. That means people are boxed into certain mindsets: ethnic minorities are victims of underlying racism and women are oppressed by patriarchy.

To paraphrase Oscar Wilde, all bad public policy springs from genuine feeling. One can acknowledge the history of discrimination and hardship visited on various minorities and still recognise identity politics leads to crude political tribalism.

As Jonathan Haidt, one of America's leading liberal intellectuals, has warned, politics fixated on racial, gender and sexual differences and the cultivation of victimhood will be disastrous as a foundation for democratic politics, leading to resentments that extremists can exploit in ugly ways on both the right and left.

Although identity politics is more pronounced in America and Britain, the victim culture is evident here: think of the campaign to change Australia Day from January 26 or to demote Western civilisation in the school and university curriculum or to blame our public discourse for the rise of "white nationalism". As the reaction to Christchurch has shown, the desire for self-flagellatory virtue signalling is rampant.

Never mind that the political leaders accused of whipping up Islamophobia – Howard, Abbott, Dutton, Morrison et al – have supported large-scale, non-discriminatory immigration. Never mind, too, that they link jihadists with extremist groups, such as Islamic State and al Qaida, not the Muslim community.

Ideological pendulums have a tendency to swing back and forth. At some point, there should come a sharp change in the national mood and direction.

However, if conservatives and liberals fail to tell a persuasive story to Middle Australia, one that soundly marries our support for competitive markets with scepticism of divisive identity politics, we will reinforce the perception that the centre of political gravity has shifted leftwards.

**The reason women were locked out of the budget**

Ebony Bennett

Australia has never had a federal treasurer who wasn't a man and has had more finance ministers named John than female finance ministers. It doesn't take an economics degree to know those numbers are a problem.

With the federal budget near, we learned this week that eight community organisations representing women, children, Indigenous Australians and people with disabilities would be excluded from this year's budget lock-up. So we're now excluding women from reporting on the budget, too.

Each year, the government and the Treasury invite their most relevant stakeholders into the lock-up. This year, many group representing women didn't make the cut.

It's not hard to see how the lack of women's voices and representation will affect debate.

When times are good and we cut taxes, men mostly benefit. When times are tough and services are cut, the burden falls mainly on women.

After the horror 2014 budget, Australia Institute research found that 55 per cent of the burden of budget cuts fell on women. Men received twice as much as women from income-tax cuts during the mining boom a few years earlier. Remember, those tax cuts were largely responsible for the budget deficit.

So men got most of the benefit from permanent tax cuts but, when the temporary mining boom ended, most of the burden of spending cuts fell on women.

How did this happen? At least in part because these budget decisions are made mainly by men. How these policies will affect women isn't considered.

It used to be. Until 2014, we had the women's budget statement, which at least examined the budget's effects and outcomes for women. It was released alongside the budget papers. But our former women's minister, Tony Abbott, dumped the women's Statement.

It then fell to civil-society groups to do the work the government should be doing – until the government decided to exclude them, too.

Restricting groups advocating for women from the lock-up so they cannot comment immediately when the budget is released demonstrates perfectly how women are locked out of budget decisions.

After intense lobbying, Professor Helen Hodgson will now represent the National Foundation for Australian Women, the National Women's Alliances and the Equality Rights Alliance in the stakeholder lock-up, while another spot was made available late this week for Emma Davidson from the Women's Electoral Lobby.

But groups representing young people and Aboriginal and Torres Strait Islanders will still miss out.

Tax policies affect women poorly in plenty of other ways. Many of the big tax concessions benefit men far more than women. It's no coincidence that most young people, disabled people and Indigenous people likely miss out on most of the benefits of these tax concessions, too.

Women are far more likely to have very little in their superannuation account when they retire. Half of all women have less than \$36,000 at retirement.

Women's low super balances is driven in part by the gender pay gap, but also by the fact that most of the super tax concessions go to men. Women receive less than 30 per cent of these concessions; the rest go to men.

When we look at negative gearing and the capital gains tax concession, the story is the same. Only about 40 per cent goes to women.

Last year's income-tax cuts continued the pattern. Australia Institute research showed the tax cuts went mainly to high-income earners. The top 10 per cent of taxpayers will receive 40 per cent of the tax cuts' benefits. And men will receive double the tax cut of women.

When this was pointed out to the government, the then treasurer, Scott Morrison, dismissed the figures. "You don't fill out pink forms and blue forms on your tax return. It doesn't look at what your gender is any more than it looks at whether you are left-handed or right-handed," he said. That's as true as it is irrelevant.

Morrison's flippant dismissal missed an important point: his tax cut was aimed at those on high incomes – and women earn far less than men. He might not have intended to benefit men, but that was the outcome.

Of course, this probably never occurred to those working on Australia's tax policy. That lack of insight is one of the problems created by a lack of diversity. The alternative is too depressing to consider: they knew that targeting tax cuts to high-income earners makes gender inequality worse but did it anyway.

There was a glimmer of hope this week that the government might consider the gender effects of tax policy when Treasurer Josh Frydenberg released an analysis of the Labor Party's proposal to get rid of excess franking credits. He said the change would hurt women more than men because more women received excess franking credits than men.

Frydenberg used a sleight of hand to focus on the number of women getting benefits from these rather than the amount of credits going to women.

If you introduced a tax policy that gave a \$1 benefit to 100 women and a \$1 million benefit to 10 men, would it make sense to say it mostly benefits women? After all, 10 times as many women receive a benefit. This was essentially what the Treasurer said.

There is little information out there about excess franking credits but we do have more information about *all* franking credits. We know that most go to those on high incomes. In fact, 75 per cent of all franking credits go to the top 10 per cent of households and about half go to 2.2 per cent of taxpayers. We also know that women make up less than a quarter of these top 2.2 per cent. This means franking credits go mainly to – you guessed it – wealthy men.

If Frydenberg is serious about looking at the gender implications of tax policy, he should release the gender split of who benefits rather than just the number of people who benefit. Hiding this data excludes women from debate just as effectively as denying them a seat in the budget lock-up.

At the very least, he should reintroduce a gender impact statement on all the policies contained in his budget: which ones improve gender inequality and which make it worse?

Instead, two women in the lock-up will do all the work he failed to do.

### **Right-wing extremists were already on spy agencies' radars**

Clive Williams

The potential for lone-actor right-wing terrorism should be on every intelligence agency's radar. For example, ASIO noted in its 2017-18 annual report: "While the threat of terrorist attacks conducted by lone actors continues, these threats are not isolated to Islamist extremists. Individuals motivated by other ideologies – such as an extreme left or right-wing ideology – may consider conducting an act of terrorism."

ASIO said customers were generally happy with its reporting: "Our analysis of terrorism motivations, influences and trends in Australia was highly regarded, as were our biannual threat assessments of terrorism and violent protest and reports on right and left-wing extremism."

The only recent ASIO-reported incidence of right-wing terrorism in Australia was Operation Fortaleza on August 6, 2016, when an extreme right-wing individual's alleged preparations were disrupted.

The person was Phillip Michael Galea, 31, of Braybrook in Melbourne's west, who was charged in 2016 with "planning to commit a terrorist act and collecting material in connection to a terrorist act".



The prosecution claimed Galea was targeting the Melbourne Anarchist Club in Northcote, the Resistance Centre in the CBD and Trades Hall in Carlton.

Galea apparently wanted to produce what he called *The Patriots Cookbook*, which would show how to make bombs using potassium nitrate "for the advancement of extreme right-wing ideology to overcome the perceived Islamisation of Australia".

Galea reportedly had links with right-wing extremist organisations such as Britain's Combat 18 and the United Patriots Front in Australia.

In 2017, *The Sydney Morning Herald* reported on the conviction of "neo-Nazi" Michael James Holt, 26, who had threatened to carry out a mass shooting and considered targeting Westfield Tuggerah on the NSW Central Coast.

Holt had made guns, knuckledusters and slingshots in his grandfather's garage. Subsequent raids on his mother's home and a hotel room discovered more weapons.

The deadliest lone-actor right-wing attack in recent times was the July 22, 2011 bombing and shootings in Norway by Anders Behring Breivik, aged 32.

He set off a massive vehicle bomb in Oslo outside prime minister Jens Stoltenberg's office, killing eight people, and then went on to Utøya island to shoot and kill 69 young members of the Labour Party who were meeting and holidaying there.

Breivik's preparation and attack have become the blueprint for similar attacks. On the day of the attacks, he distributed electronically a compendium of texts titled *2083: A European Declaration of Independence*, describing his militant ideology. His manifesto included details of how he played video games such as *World of Warcraft* to relax, and *Call of Duty: Modern Warfare 2* for "training-simulation".

Breivik bought a semi-automatic 9-millimetre Glock 34 pistol legally by showing he was a member of a pistol club, and a semi-automatic Ruger Mini-14 rifle after buying a hunting license. He told a court he trained for shooting using a holographic device while playing *Call of Duty*. He said it helped him gain target acquisition.

In 2012, the British home affairs committee warned of the threat of far-right terrorism in Britain, saying it had heard "persuasive evidence" about the potential danger and cited the growth of similar threats across Europe. In March 2018, Mark Rowley, the outgoing head of Britain's counter-terrorist policing, revealed that four far-right terror plots had been foiled since the Westminster attack in March 2017.

In the United States, there have been 18 right-wing terrorist attacks since 2012, resulting in 51 deaths. The deadliest, on October 27, 2018, was a lone-actor right-wing attack by Robert Gregory Bowers, 46, at the Pittsburgh synagogue, where he shot and killed 11 worshippers. It was the most lethal attack on the US Jewish community.

Bowers had earlier posted anti-Semitic comments against the Hebrew Immigrant Aid Society. Shortly before the attack, he posted on "Gab" that "HIAS likes to bring

invaders in that kill our people. I can't sit by and watch my people get slaughtered. Screw your optics, I'm going in." (Gab is an ad-free social network "dedicated to preserving individual liberty, the freedom of speech, and the free flow of information on the internet".)

Many of the shooter attacks in the US do not show a clear motivation. The FBI designated 50 shootings in 2016 and 2017 as "active-shooter" incidents. There is no assessment yet of numbers for 2018. Meanwhile, the Gun Violence Archive recorded 152 mass shootings in the US between 1967 and May 2018, averaging eight deaths per incident.

The challenge for security organisations is to identify potential lone-actor right-wing attackers. Some options are monitoring gun clubs and their members, social media, extreme-right organisations and their members – and encouraging anyone with concerns about a potentially violent person to report them to the national security hotline. Effectively, it means using lots of resources for small returns.

Police may pick up on some potentially violent persons through threat assessment centres, and it's important, of course, that police respond quickly to an active-shooter situation.

It would also be desirable to have an armed police officer present on days of worship at mosques and synagogues (rather than armed civilian guards), and possibly one or more responsible members of likely target organisations trained to use a gun, with access to a weapon securely stored on-site.

Australia also needs another gun buy-back scheme to reduce the number of firearms in the country (there are now 3 million registered guns plus an estimated 260,000 unregistered.)

Clearly, as Brenton Tarrant showed only too well in Christchurch, the well-organised lone-actor extremist can be a deadly attacker. The law-enforcement challenge is that the perpetrator might not have done anything illegal until the attack begins.

### **The Gladys I know is a real liberal**

Malcolm Turnbull

Gladys Berejiklian is quite unlike many, if not most, politicians. She isn't an egomaniac or overconfident. She is a humble person who doesn't think she is the most interesting person in the room. She is a great listener and learner, always on top of the detail - not a blustering blowhard who thinks details and facts are beneath him.

I have known her for more than 25 years and all through her career she has shown a quiet determination to improve our state and our nation. She is smart, honest and

hardworking. And she gets things done. Not for herself - but for all of us, the people of NSW.

Gladys has no appetite for the nasty side of politics. A lot of people are in politics for the game; they haven't really graduated from student politics. She is, and frankly always has been, a safe and above all competent pair of hands.

I have always felt that Gladys and I both shared a practical approach; keenly interested in policy not in a theoretical manner, but as a means of getting things done, so we could improve the lives and opportunities of the people we serve.

I used to see her at COAG meetings, with all the other state and territory leaders. She was always totally prepared, mastering all the details, and leading a state with a budget in surplus and an unemployment rate the lowest on record.

And it was great for me to work with her on our shared vision for Western Sydney - the Commonwealth building the new airport at Badgerys Creek, partnering with NSW on the north south rail line and the aerotropolis to create tens of thousands of jobs.

As a former state treasurer she knows all the numbers, and she knows the importance of having the strongest economic growth in the nation. But she also knows that governments have to turn those numbers into real outcomes for families - new rail lines and roads, better hospitals and schools.

Labor governments used to announce rail projects, again and again, and not build them. Gladys, first as transport minister, now as Premier is getting on and building and completing those projects.

Take the North West Metro - it has been talked about for many decades. Should have been built years ago. But it took a Liberal government and a dedicated minister like Gladys to get it underway and so it was fantastic to see her riding the new North West Metro this week.

When it opens for public service later in the year it will be the biggest single addition to our urban rail network in my lifetime - and I am quite a bit older than Gladys!

This is a government that has delivered what it promised. So you can trust them to deliver on their promises again.

And dear to my heart, Gladys and her energy minister Don Harwin are not arguing over energy policy, they are planning more pumped hydro storage that will make all of those extra renewable investments reliable as we transition to an emissions free clean energy future.

Gladys recognises the reality of global warming and the need to act. She is not a climate change denier. And I might add, she is a real liberal who embraces modern multicultural Australia.

As practical as she is smart, just as she is providing the rail services, both heavy and light, that a growing city needs, she is determined to ensure NSW gets cheaper, reliable and cleaner power in the years ahead.

I have always said that the answer to our climate challenge is engineering and economics, not ideology and idiocy. Gladys totally gets that.

But more important than all of her other qualities, Gladys Berejiklian has integrity. She doesn't go round telling people what they want to hear, like Michael Daley has done.

Elections are about choices - we know how Labor misgoverned NSW, mired in corruption, incompetence and deficit. It took a Liberal government to bring the budget back into surplus and get on with the big rail and road projects neglected for so long by Labor.

That's why it is so important that a majority Liberal-National government is reelected to continue this work. At a time of so much political upheaval elsewhere, the stability of the government Gladys leads is more important than ever.

The Berejiklian government is the most successful state government in our nation. But there is a lot more to do. And Gladys Berejiklian is the leader to do it.

### **Editorial - Morrison has failed to call out Islamophobia**

Let us give Prime Minister Scott Morrison the benefit of the doubt about his version of the meeting of the shadow cabinet in January 2011 on the rise of anti-Islamic sentiment in the community.

Let us accept that, as he told Waleed Aly's *The Project* on Channel 10, he raised the issue of Islamophobia only to advocate for a strategy of defusing tension rather than exploiting it.

Even accepting all that, if that was his purpose, he and his party over the past eight years have done a poor job of achieving their goal.

While Mr Morrison bravely condemned right-wing extremism after the Christchurch mosque attack last week, he and his party have for too long failed to speak out with sufficient force against racism in their ranks.

That failure was still on display in Mr Morrison's evasive performance during the interview.

Mr Morrison has been central to that political debate because he made his political reputation in 2010 as immigration spokesman calling for the turning back of boats and offshore detention.

Stopping the 1200 deaths at sea was not racist policy but in exploiting it as an issue Mr Morrison fomented a climate of fear that went well beyond humanitarian concern.

He warned that asylum seekers could bring tuberculosis and syphilis here and when up to 48 asylum seekers drowned off Christmas Island in December 2010, he complained their relatives were flown to Canberra to attend the funeral. That was the context of the 2011 shadow cabinet meeting.

While the party agreed then to keep its non-discriminatory immigration policy, Coalition MPs have continued to nourish hostile and insensitive stereotypes about Muslims that would be seen as clearly racist if directed at Jewish or Indigenous people.

It was usually a subtle dog whistle to right-wing nativists which could be denied if called out by the other side.

Liberal MP George Christensen spoke at white extremist rallies; former prime minister Tony Abbott denied Islamophobia had ever killed anyone; Nationals leader Michael McCormack warned of "spivs, rapists and murderers" on Nauru and Manus; Immigration Minister Peter Dutton described Lebanese migration in the 1980s as a mistake.

There was the episode where Liberal MPs congratulated Senator Fraser Anning after his speech calling for a "final solution". The senator, by the way, said the use of that phrase was innocent.

Mr Morrison's decision to do the interview on Channel 10 suggests he is worried that since Christchurch this sort of talk has become a liability. Yet he failed to show he is ready to confront the issue head on.

Mr Morrison deflected criticism of his own role by saying that he had worked behind the scenes to bring Islamic and non-Islamic people together at surf clubs and the like. We give him the benefit of any doubt that at a personal level he feels no prejudice against Islam.

But Mr Morrison must be judged on what he has said and done in public. There he has not, and still is not, speaking out.

For instance, in the interview, Mr Morrison refused to condemn Mr Dutton's slur on Lebanese Australian migration, saying Mr Dutton was only talking generally about the lack of scrutiny for all groups in the migration program in the 1980s.

If Mr Dutton was talking generally, why did he single out Lebanese rather than the Jewish refuseniks who arrived at the exactly same time?

Mr Morrison also justified his silence on the grounds that he could not speak out against each and every sign of racism in his party. Yet as party leader and prime minister he is the only one with the authority to set the course on these issues.

Mr Morrison also failed to seize the opportunity during the interview to present Islamic migration in a positive light.

For instance, rather than quibble about Mr Dutton's words, he should have told Mr Aly that bringing Lebanese Muslims to Australia was an act of humanity which enriched us as a country. Say it loud and say it proud.

Mr Morrison and the Coalition are not alone in playing to xenophobic sentiment, as shown by NSW Opposition Leader Michael Daley's recent comments on Asians. But the Coalition has the strongest form here. Note its appalling attacks on African gangs in Victoria.

In the lead up to the coming federal election, Mr Morrison is coming under pressure to stop any co-operation with One Nation.

Pauline Hanson's acquiescence to Senator Anning's ugly views puts her beyond the pale and Mr Morrison must promise the Liberal Party will preference her last, after all the major parties.

That bipartisan message would help put any doubt to rest.

**TELEGRAPH**

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**Exclusive: Poll gives Gladys 11th-hour hope**

**RAZOR'S EDGE**

**Where to vote**

**Seats to watch**

**Leaders' final pitch**

**STARTS PAGES 4-5**

**WINX** may finally have some competition — at least in the afternoon stakes. The Longines Golden Slipper may give the champion mare a run for her money, with a crowd expected to top 25,000 at Rosehill. Gardens today when the world's richest race for two-year-olds is held soon after Warr lines up to chase her 32nd consecutive win in the \$1m George Ryder Stakes. **FULL REPORT SPORT**

**ANNA CALDWELL**  
PREMIER Gladys Berejiklian has edged ahead of Labor leader Michael Daley in what could be the state's tightest poll battle for almost three decades today. The Weekend Australian Newspoll has the Coalition ahead of Labor 51-49 two-party preferred, pushing Ms Berejiklian closer to becoming NSW's first elected female premier. That's despite the fact the government last night had senior Liberals preparing for the loss of six seats — effectively stripping Ms Berejiklian of majority government. **FULL REPORT PAGES 4-5**

Carissa Welford with the 2019 Longines Golden Slipper horse Lynx. Picture: Justin Lloyd

**Election eve Newspoll says Gladys Berejiklian will win power in tight contest**

Anna Caldwell and Rose Brennan, The Daily Telegraph

March 23, 2019 1:17am

Premier Gladys Berejiklian has narrowly edged ahead of Michael Daley in what is likely to be the state's tightest election in almost three decades.

The latest Newspoll conducted for The Weekend Australian has put the Coalition ahead of Labor 51-49 on a two-party preferred basis, after what has been a horror last week of campaigning for Mr Daley.

And the poll has the government securing an even clearer win in Sydney, where it was ahead 52-48, while the rest of NSW was deadlocked 50-50.

It is the first concrete sign that Mr Daley's divisive comments on Asian migrants, revealed by The Daily Telegraph on Monday, may have hurt him badly in Sydney seats.

Ms Berejiklian is bidding to become the state's first elected female premier in history, and the polling shows the Coalition with a primary vote of 41 per cent — a 4.6 per cent drop from the last election. Labor sits on 35 per cent, the Greens 10 per cent and other candidates 14 per cent.

In a sign the government believes that it can pull ahead in Sydney on the back of Mr Daley's anti-migrant remarks, The Saturday Telegraph can reveal the Liberals went on a final advertising push in three Australian-Chinese newspapers this morning, with the Labor leader's offensive remarks featuring prominently in both Chinese and English.

It is also understood Prime Minister Scott Morrison will hit the hustings today, visiting select voting booths in the Shire in seats the party wants to protect.

The Saturday Telegraph has been briefed that secret internal polling held by the government last night had senior Liberal figures last night preparing for the loss of three Sydney seats and up to three seats in the regions.

Combined, this would strip Ms Berejiklian of majority government.

In Sydney, the government was bracing for possible losses in Coogee, East Hills and Penrith. Internal research also has the seats of Heathcote and Goulburn deadlocked at 50-50.

Senior government sources said the party expects to lose three of those five, most likely including Coogee and East Hills.

The Nationals also faced losing Lismore, Barwon and Murray.

The government was hoping its Daley anti-China ads would insulate seats like East Hills and even make ground in Labor territories such as Kogarah and Strathfield. But the Liberals were not expecting to win those seats, with recriminations already flying internally this week that the party should have been better prepared to contest them.

It comes as the Nationals received a win last night, with the Greens forced to remove corflutes in the crucial north coast battleground after a Supreme Court injunction put in place because the signs ordered voters to "number every box".



In a final frantic day it was clear that Penrith — the Western Sydney seat of Sports Minister Stuart Ayres — was a key prize for both sides, with both leaders making last ditch visits.

Ms Berejiklian was supported by former Prime Minister John Howard at the local RSL, marking his second appearance on the campaign.

“I’ve always been a tremendous fan of her (Gladys) because she’s straightforward — what you see is what you get. She stands for things, she’s said what she believes in, she’s very authentic,” Mr Howard said. “She also can add up and does her sums, and understands things very well.”

Mr Daley was hot on Ms Berejiklian’s heels, targeting the local issue of tolls on the M4 — a topic of major voter anger that will work against Mr Ayres.

Before that, his first stop was Allianz Stadium, his most frequently-visited territory as he tries to win votes on his promise to not spend taxpayers’ money knocking down and rebuilding the stadium.

The Sydney Cricket Ground is in Heffron, a seat Labor holds comfortably on a 14.1 per cent margin and which was previously held by former premier Kristina Keneally.

Ms Berejiklian also visited East Hills and Granville — both seats with significant Chinese heritage — as well as the at-risk seat of Heathcote.

If the Premier loses her majority, she will have to form the first minority government since 1991.

Even that vote was more decisive than the current polls, with Nick Greiner’s Coalition recording 52.7 per cent of the two-party preferred vote, but the margin was built up in landslides in its heartland.

Still, on a seat-by-seat basis, it found itself one seat short of a majority.

### **Centrelink glitch leads to spend on exotic bird, pokies**

Lanai Scarr, Senior Writer, News Corp Australia Network

March 22, 2019 8:00pm

An exotic bird, an LCD TV and a stint at the pokies are among some of the purchases low-income families have been making as a result of a glitch in government child care subsidies.

The glitch is seeing lump sums of up to \$10,000 of back paid taxpayer-funded Additional Child Care Subsidies paid directly into private accounts rather than to providers.

The error comes as many childcare services are being left in debt if families change circumstances, providers or exit the system as a result of Child Care Subsidy being

deposited to families rather than providers, leaving them in a situation where centres have to consider laying off staff or cutting programs.

Childcare centres, including the largest provider of services in the country — Goodstart — have been giving vulnerable families free care until their application for ACCS is processed.

In some cases it can take up to 12 weeks to come through and many providers are giving care to vulnerable children in good faith on the understanding the subsidy will be back paid to them.

But in a glitch in the system, in some cases Centrelink has back paid the subsidy to families, with large amounts of cash — sometimes up to \$10,000 — deposited into the accounts of these vulnerable, low income families who often have never seen that amount of money in their life and are using taxpayer dollars to fund extravagant purchases.

News Corp Australia has been told of one family who used some of their lump sum to purchase an exotic bird — which they then brought into the centre to show to the director.

An LCD television was purchased by another family and others splurged on clothes, shoes and even a stint at the pokies.

There are around 9000 children who access the ACCS — which is provided top of the regular child care subsidy.

Goodstart advocacy manager John Cherry said there were glitches involving payments to vulnerable families.

“We are supporting our families working through problems with Centrelink, but it is stressful for them,” Mr Cherry said.

“Families who are already struggling with a range of difficulties shouldn’t be put in this position. The government needs to prioritise fixing the system so that families, particularly the most vulnerable, do not face unexpected payment glitches.”

A total of 882,540 families had at least one child in approved child care in the June quarter of 2018 according to the latest departmental figures.

ACCS is paid to the most vulnerable, at-risk families and provides 100 hours of subsidised care each fortnight on top of the standard CCS payment.

Chief executive officer of Early Learning Australia Sam Page said it was “irresponsible” for the Department of Social Services and the Department of Education to not have considered the impact of depositing such large sums of money into the bank accounts of vulnerable Australians.

“I am concerned that the way this has been mismanaged has potentially exacerbated the risk these children are in,” Ms Page said.

“It is extraordinary that the Department of Social Services and the Department of Education would not have a system in place to ensure this back payment does not go direct to vulnerable families. They need to resolve this issue urgently.”

Executive director of The Parenthood Alys Gagnon said this was “yet another example of how difficult the new system is to navigate for families”

“Families rely on Centrelink and on the government to get this right and if they don’t that leaves everyone with enormous levels of uncertainty,” Ms Gagnon said

“The Minister must urgently address this issue so that parents and early learning providers can have confidence in their financial situation.”

The new Child Care Subsidy came into force on July 2 last year — replacing the former Child Care Rebate and Child Care Benefit.

It was touted as one easier, streamlined payment that would be paid direct to providers.

Education Minister Dan Tehan said he did not believe there were any issues with the updated Child Care Subsidy.

“There is not a ‘glitch’ in the childcare system,” Mr Tehan said.

“In some circumstances, eligible families can receive a back dated Child Care Subsidy payment to assist with fees charged by their child care provider.

“The department has provided information to the sector on the situations when Child Care Subsidy and Additional Child Care Subsidy may be paid to the family.”

Opposition early childhood spokeswoman Amanda Rishworth said the Coalition had “completely botched their own unfair system”.

“This is a system which is burying families in red tape and turning child care centre operators into Scott Morrison’s part-time debt collectors,” she said.

“It is the government’s responsibility to provide a fairer system that works for both families and child care centre operators.”

### **Federal Budget to include \$600m funding injection for regulators**

Sheradyn Holderhead

BANKING regulators will be beefed up with a \$600 million cash injection in Treasurer Josh Frydenberg’s first federal Budget in ten days time.

The Saturday Telegraph understands the Morrison government will also bring forward planned income tax cuts to put more cash back in people’s pockets. But there are no plans to put tax cuts for big businesses back on the table.

In a major announcement ahead of the April 2 Budget, Mr Frydenberg revealed the Federal Court will be expanded to hear corporate crime for the first time, elevating the cases from state courts.

It's part of a \$585 million package to crack down on bad behaviour following the banking royal commission. That includes \$400 million for the nation's corporate regulator, the Australian Securities and Investments Commission, to hire more investigators and make sure cases get to court.

The Australian Prudential Regulation Authority will also get \$150 million — increasing its funding by more than a third — to boost supervision including a strong focus on underperforming superannuation funds.

“The lessons of the Royal Commission must be learned. My message to the financial sector is clear, it's time to restore a culture of compliance and accountability that puts people before profits,” Mr Frydenberg said.

“Through our actions, we will strengthen our regulators with record levels of funding and resources, provide them with more powers and larger penalties and enable the Federal Court to prosecute cases of criminal misconduct in the financial sector.”

In a wide-ranging interview with The Saturday Telegraph, Mr Frydenberg said he wanted the Budget to frame the election contest between the major parties.

“It will be about what kind of nation Australians want over the next decade. We will always be the party of lower taxes,” he said.

“This Budget is about reducing the cost of living for Australians and lifting wages by driving a productivity agenda. You don't grow wages or you don't reduce the cost of living by increasing taxes.

“Having a strong economy or a surplus are not ends in themselves they're a means to deliver more drugs on the PBS, more hospital funding, more school funding, better roads.”

Mr Frydenberg confirmed surpluses would build over the medium term helping to pay down the debt despite a weakened economic outlook. “The fundamentals of the economy are strong ... however the near term economic outlook is looking softer since MYEFO (December Budget update) with the economy facing some emerging risks in the global economy,” he said.

“We do, however, have concerns about lower house prices spilling over to building approvals and softer household consumption and that matters because household consumption represents around 60 per cent of GDP.”

### **PM needs to tackle One Nation preferences issue**

David Speers, The Daily Telegraph

March 23, 2019 1:07am

The Prime Minister cited American author Arthur Brooks during a thoughtful speech on Monday in response to the Christchurch terrorist attack. "What we need is not to disagree less, but to disagree better", he quoted, and added his own warning against "tribalism" and "interacting with people only we agree with".

True to his word, Scott Morrison fronted up on Thursday night for a lengthy prime-time TV interview with someone he disagreed with, Waleed Aly.

Waleed is a tough, intelligent interviewer, an opinion leader and a Gold Logie-winning TV personality. His emotional editorial on the night of the Christchurch attack, in which he targeted Morrison among others, made this a very personal - encounter.

The Prime Minister knew The Project's audience would not be on his side. He knew he wasn't in for an easy ride.

For more than half an hour, Morrison was grilled over Islamophobia in Coalition ranks, allegations (the Prime Minister denies) that he once privately argued in favour of exploiting community concerns over Muslims, recent scare campaigns over asylum seekers and preferences with One Nation.

None of this was easy ground for the Prime Minister and he didn't handle all of it well. But nor was it the train wreck his critics suggest.

Morrison used the opportunity to tell a sceptical audience about his convictions, his character and his work with the Muslim community.

He spoke of his mission to bring Australians together.

At a time when politicians are increasingly reluctant to engage in tough interviews, either too scared or "busy" to bother answering criticism and explaining themselves to voters, Morrison deserves credit for fronting up.

Amid the frenzied analysis of who "won" or "lost" the exchange, this willingness to have a conversation and "disagree better" should be applauded. Dialogue is surely the starting point of any attempt at understanding.

The bumpiest moment of the interview for Morrison was undoubtedly the discussion around One Nation preferences, as it has been during other interviews this week.

When pressed on Melbourne's 3AW yesterday, Morrison was reluctant to criticise One Nation leader Pauline Hanson too much at all.

He even suggested we should "stop treating politics like a sport where you have to pick sides and throw rocks".

This from a prime minister who has no problem throwing the biggest rocks he can find at Labor every day.

The question of whether to preference One Nation ahead of Labor has vexed the Liberal Party for more than two decades. Liberals still haven't worked out a good answer.

Securing a strong flow of preferences from One Nation can make the difference between winning and losing seats in Queensland.

To its supporters, One Nation is the only fair dinkum alternative to politically correct major parties.

Hanson is seen as the only one genuinely standing up for traditional Aussie values.

To its critics, One Nation is a dangerous, single-focus anti-Muslim machine.

From Hanson's maiden speech warning that Australia is being "swamped by Muslims" to her even more inflammatory language comparing Islam to a disease requiring a vaccination, there is no denying where this party stands.

In the wake of the Christchurch massacre, the Liberal Party's delicate dance with One Nation has just become much more difficult.

It doesn't matter if there is a formal deal or not, Liberals and Nationals will have to explain why their party is choosing to direct preferences to One Nation over Labor.

For some in Queensland, this is easy enough. For other Liberal MPs in Sydney, Melbourne and Adelaide it's not.

Like the question of funding coal-fired power, this tends to divide Coalition MPs along a line running somewhere roughly to the north of Brisbane.

Given the government is already in the minority and facing terrible polls, Morrison can't afford to sacrifice any seats in Queensland.

Nor is it as technically straightforward for Morrison to declare, as John Howard once did, that "the One Nation party should be placed last on all Liberal Party how-to-vote cards in Australia".

Since those days the Liberal and National parties have merged in Queensland. The LNP makes its own decisions on preferences and almost certainly won't be putting One Nation last in every seat.

Bill Shorten yesterday declared this to be a "true test of leadership" for the Prime Minister, insisting he must "put the country first and One Nation last".

Never mind that the ACTU is urging voters to "put the Liberal Party last" rather than One Nation. Presumably it's not a test of leadership for ACTU secretary Sally McManus.

Nonetheless, Shorten will keep this issue alive. Every time Hanson or one of her candidates blurts out something inflammatory, the Labor leader will remind voters the Liberals are directing preferences One Nation's way.

Liberals and Nationals will most likely agree to disagree among themselves.

Morrison will at least be hoping they can “disagree better”.

### **Muslims deserve our PM's respect**

Anthony Mundine

I wish Jacinda Ardern was Australia's Prime Minister.

The amount of respect, honour, compassion and empathy she has shown to the Muslim people has touched my heart.

If Scott Morrison, or any other Australian politician, had any respect they would have flown to New Zealand and acted like the big brother we're supposed to be to our neighbours.

I decided to fly to Christchurch this week because I feel it is my obligation as a Muslim to support those who are facing catastrophe and adversity. That is our duty.

I have met many survivors of the terrorist attack in Christchurch and I am amazed by their strength and resilience. And since my arrival, I have been in awe of New Zealand Prime Minister Jacinda Ardern's leadership. She has shown what true leadership is. She has honoured Muslims in so many ways.

Today, the entire country had two minutes of silence during Friday prayers. The women of New Zealand have been encouraged to wear hijabs to show solidarity.

I believe Ms Ardern has got every other leader in check. And by doing so, she has embarrassed many of her fellow politicians around the world. She has stepped up to the plate and led her country through her heart, not through politics. And that is what a leader is supposed to do — be a leader, not a follower.

She changed her country's gun laws in six days. She doesn't just talk — she takes action decisively. That is lacking in our politics in Australia.

We have too many people in office who say the right things, but go missing when it's time to walk the talk.

While I came here to support my fellow Muslims at this tragic time, one thing that has really struck a chord with me in New Zealand is not only how well they treat the Islamic community, but also their Indigenous people.

They are teaching the Maori culture and language in schools and celebrating them as people. In Australia, the Aboriginal culture is not taught in any schools.

New Zealand is so much further ahead than us in the treatment of Indigenous people. We need a treaty in Australia to recognise Aboriginal people and our rights.

When I return to Australia, I am really going to look at how I can be involved in bringing about some positive change and make a difference to future of my people.

People might be surprised, but I agree with the One Nation proposal to have DNA testing of Aboriginal people because too many have been taking advantage for too long. We have Aboriginal money that is being claimed and used by people who do not live black.

So I am taking notes on how the Prime Minister of New Zealand acts with empathy and respect, and I will take this back with me.

She doesn't talk about it, she is about it. And she has inspired me to collaborate with others.

Jacinda Ardern acts for the good of humanity, and I want to do the same.

### **Turkey: 'Terrorism has no religion or ethnicity'**

Baris Atayman

As the Australian-Turkish community, we condemn the existence of extremist groups and ideologies thriving on animosity and division among us.

They will miss no opportunity or platform to spread their ignorance, hatred and racism. They will not hesitate to push their political agendas despite the danger of putting lives at risk.

Even before the Christchurch victims had been buried, they took to the airwaves to further their ill-intended points following remarks by Turkish President Recep Tayyip Erdogan.

While we were all mourning for the victims of the Christchurch attack and still in shock, the statements made by the President Erdogan targeting the terrorists and extremists had been misinterpreted and used by groups that feed ideologies akin to those of the Christchurch terrorists.

In today's world, it is hard to build peace but easy to create animosity.

Therefore, we commend governments and state bureaucrats for quickly de-escalating the situation through respectful dialogue.

May we all remember, during this tragedy and the subsequent diplomatic crisis, the words of the founder of the modern Turkish Republic, Mustafa Kemal Ataturk.

"Those heroes that shed their blood and lost their lives ... You are now lying in the soil of a friendly country. Therefore rest in peace.

"There is no difference between the Johnnies and the Mehmets to us where they lie side-by-side here in this country of ours ...



“You, the mothers who sent their sons from faraway countries, wipe away your tears; your sons are now lying in our bosom and are in peace. After having lost their lives on this land they have become our sons as well.”

Ataturk has been hailed as the builder of peace in Anatolia, even by his adversaries.

The Greek leader, Eleftherios Venizelos who fought against Turkey in the Greco-Turkish War for independence, nominated him for the Nobel Peace Prize in 1934.

From Churchill to Gandhi, and Bill Clinton to Fidel Castro, all prominent leaders of the world in the 21st century acknowledged Ataturk's vision for and ability to building peace.

We, the Australian-Turkish community, continue to uphold his principles.

This Anzac Day we will once again commemorate the fallen in Gallipoli side-by-side with our friends and family, here in Australia, in New Zealand and in Gallipoli.

The Australian-Turkish community hold Anzac Day and the Anzac spirit sacred for both Turks and Australians alike and respect the memory of those who gave their lives in war.

This strong bond of friendship, built over a tragic chapter of history between the old foes, has long been the envy of the world. Extremists with harmful intent have targeted this bond many times before.

Terrorism has no religion or ethnicity.

As the former Prime Minister of Australia Malcolm Turnbull once rightfully expressed, without defeating the extreme ideologies that breed terrorists, we cannot succeed in defeating terrorism.

We know so well the loss and pain caused by senseless and barbaric acts of those deranged people motivated by extreme ideologies and political agendas.

Turkish people in Australia were murdered by terrorists before — in 1980, terror group Justice Commandos of the Armenian Genocide were responsible for the assassination of Turkish consul-general Sarik Ariyak and his bodyguard in Sydney.

We will continue our fight against ideologies that fuel such acts, within our community and in Australia.

We, the Australian-Turkish community, continue to teach our kids and their friends the true leadership and peacemaking ability of Ataturk's words, which are enshrined across parks and memorials here in Australia and New Zealand,

It is our duty to create a better future for all of us, first in Australia and then around the world.

We pray for the victims and give our heartfelt condolences to everyone touched by the tragedy in Christchurch. It is still and should be our main story, not a political spat.

We will do our best to help our New Zealander brothers and sisters, with whom we commemorate the fallen at the Gallipoli together, heal from this tragedy.

We call upon politicians, community leaders and members of the media to reflect on their own views concerning such issues, both contemporary, such as migration and Islamophobia, and historic, and talk about them with sensitivity.

The tragic events in Christchurch are a timely reminder to us as Australians, that regardless of our ethnic backgrounds, we need to stand strong together in the face of all forms of violence, hate and extremism.

The Australian-Turkish community will continue to work closely with the authorities, leaders and communities to eradicate these toxic ideologies from these lands to create a better world for all.

*Baris Atayman is the Australian-Turkish Advocacy Alliance executive secretary.*

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**Police documents reveal how Nicola Gobbo betrayed her gangland client in secret plot to ...**

# GET GATTO

## LAWYER

**EXCLUSIVE**  
ANTHONY DOWSLEY  
AND PATRICK CARLYON

NICOLA Gobbo conspired with detectives to "stitch up" Mick Gatto for murder, classified reports compiled by her police handlers reveal.

The Herald Sun has obtained 78 pages of the "informal contact reports" — the first to be released by Victoria Police in the Lawyer X scandal.

The reports detail how Gobbo manipulated client Faruk Orman — who was charged over the murder of Victor Pearce five years after the hit

— to "roll" on Gatto. Orman, ultimately convicted as the getaway driver in the 2002 Port Melbourne execution, has claimed that Pearce talk-show officers offered to let him "walk" if he helped them get Gatto over the murder.

The dossier of 219 reports reveals that, on the day Orman was arrested for the murder, Gobbo was on the phone to her handlers forming a strategy on how to break her client's will.

"HS (Orman source Gobbo) says that Orman will not cope in jail ... Orman is an obsessive compulsive cleanliness ... He also needs

people around him always. Therefore if he is isolated and left in messy conditions, HS is positive that he will not cope," an entry on June 22, 2007 notes.

In another key information report from 2008, a police handler describes Gobbo saying one of Orman's associates "cannot believe the way that Orman has been treated just to try and stitch up Mick Gatto". Orman claims German shepherds were put inside his cell to tear it apart and he was kept in isolation for three years.

The explosive dossier is expected to be critical evidence in the royal

commission into the Lawyer X scandal, which will resume on Wednesday, as well as in Orman's petition for mercy now with Attorney-General Jill Hennessy. The dossier — spanning March 2006 to December 2008 — further reveals:

GOBBO was "frustrated" at not being used enough to assist in the police investigation of client Orman; AN "angry" Gobbo vented that police should have notified her that they were about to arrest him;

HANDLERS recognised Gobbo's "conflict of interest" by informing Orman while representing him, but told her "it is her choice";

AS Gobbo continued to act for Orman, detectives conspired with her to invent lies to get her out of appearing at court, due to the conflict; THE handler was so concerned about a police blunder which threatened to out her as an informer that she demanded protection in court.

Orman is one of 20 convicted clients of Gobbo sent letters by the Office of Public Prosecution warning that their cases could have been tainted because the police used Gobbo to inform on them in a corruption first revealed by the Herald Sun in 2014.

**CONTINUED PAGE 4**

**GP FAN MEASLES ALERT**

A MEASLES alert has been issued for fans who attended last weekend's Formula 1 Grand Prix.

A woman in her 40s is in isolation in a Melbourne hospital after being diagnosed with the highly infectious disease, believed to have been contracted in the Northern Territory.

Racegoers are being warned to keep watch for symptoms.

The infected woman frequented the James Stands, the Gate 2 entrance and the food areas near Gate 1 of the Albert Park Grand Prix circuit last Saturday.

On Sunday, fans in the Fangio Stands, at the Gate 2 entrance and in the food areas at Gate 1 may have come into contact with her.

The woman also went to Braybrook Woodworths last Sunday and Monday afternoons.

**REPORT, PAGE 6**

**DETAILS P77**



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**Extra bite for watchdogs**

AUSTRALIA'S corporate watchdogs will be given an extra \$50 million in a massive Budget boost to clean up the tarnished financial sector in the wake of the banking royal commission.

Next month's Budget will include a funding lift for the Australian Securities and Investments Commission of \$50 million a year for the next four years, while the Australian Prudential Regulation Authority will get \$35.5 million over the same period.

The extra money will allow both agencies to take a tougher approach to law enforcement in the wake of the royal commission finding that they had been asleep at the wheel.

Treasurer Josh Frydenberg said the lessons of the royal commission need to be learned.

"It's time to restore a culture of compliance and accountability that puts people before profit," he said.

**CONTINUED PAGE 2**

**Far-right extremists call for Brenton Tarrant to be Australian of the Year after Christchurch massacre**

Cindy Wockner, News Corp Australia Network  
March 22, 2019 9:57pm

Far-right extremists using internet chat rooms to call for the New Zealand mosques shooter to be nominated for Australian of the Year have been slammed as abhorrent and an appalling manipulation of the system.

The vile calls, unearthed and verified by Storyful, are contained within internet bulletin boards where anonymous users are spreading hate-filled white supremacist messages and even suggesting what to write when nominating Brenton Tarrant for the award.

The chatrooms also provide links to the Australian of the Year's website and nomination form and, one week on from the terrorist attack, continue to include still photographs of the attack taken from Tarrant's live feed of his rampage.

National Australia Day chair Danielle Roche said the National Australia Day Council is appalled by the manipulation of the online nomination process.

The council has vowed that fraudulent nominations will be referred to appropriate law enforcement authorities.

"The Australian of the Year Awards celebrate our shared Australian values. They celebrate people who contribute, who help others, and who promote tolerance and understanding. These fraudulent nominations are abhorrent," Ms Roche said.

"We have made changes to the online nominations process to identify and quarantine fraudulent nominations.

"The National Australia Day Council extends its condolences to the people of New Zealand, the victims and their families."

It comes after revelations that New Zealand's worst terrorist attack is being exploited to produce vile video games in which players shoot worshippers inside Christchurch's Al Noor Mosque, listen to racist songs, and dance in celebration.

Some users of the platform calling for the Australian of the Year nomination suggest, in hate-filled rhetoric, that Tarrant's actions, in gunning down 50 people as they worshipped in two Christchurch mosques, were heroic and brave in the face of invading forces and for this reason he deserves an award.

It is also suggested that a copy of Tarrant's manifesto — his warped document setting out the reasons for his terror attack — would be a nice touch to include, along with anything else that would offend.

One user warns to use public Wi-Fi "or your definitely gonna be looked at by ASIO".

There is even a joke, within one thread of the conversation, about the media doing a story on how "alt-right trolls played a sick joke on the Australian of the Year nominations."

The types of bulletin boards which propagate the white supremacist views are often run from places where it is difficult to regulate them or bring law enforcement action.

Associate Professor Nicolas Suzor, from the QUT Law School, who researches governance of the internet and social networks, says regulation is difficult to get right and that bulletin boards like these are able to avoid regulation because they operate overseas.

“Our political leaders have to take responsibility for stoking the fires of hatred for many years for political gain. The mainstream media needs to think critically on the way they report on these tragedies,” he says.

### **Geelong fast rail backed by Andrews Government but more cash needed after PM's \$2 billion**

Tom Minear, Herald Sun

March 22, 2019 3:37pm

Scott Morrison is open to upping his \$2 billion contribution to a radical plan to run bullet trains between Geelong and Melbourne as the state government warns it could cost as much as \$15 billion.

Victoria has cautiously welcomed the election-eve Budget commitment, revealed by the *Herald Sun*, to slash travel times between the CBD and the state's second biggest city to just 32 minutes.

But it is expected to take a decade to complete the overhaul, with the state government identifying several expensive projects which must be built first to make Mr Morrison's fast rail vision a reality.

Victorian Transport Infrastructure Minister Jacinta Allan said: “We welcome more infrastructure funding for Victoria and the federal government's interest in this project — but the funding put up by the Prime Minister won't deliver what he's promising.”

She said Victoria was “already well and truly committed to delivering fast rail for Geelong” after kicking off a \$50 million planning process last year.

Early work by the state government shows the total bill could be between \$10 billion and \$15 billion, with the immediate priority to electrify a metropolitan rail line to Wyndham Vale so regional rail services can run on a separate line.

Authorities would also need to remove 14 level crossings between Southern Cross station and Geelong, tipped to cost almost \$2 billion.

New electric trains to run to and from Geelong would cost at least several hundred million dollars as well, while further track duplications and station upgrades would also be expensive.

The other main priority to enable fast regional trains is improving rail access from Sunshine to the CBD, which is being investigated as plans are developed for the \$13 billion rail link to Melbourne Airport.

A massive tunnel under Melbourne's inner western suburbs is one option being considered.

Mr Morrison said the \$2 billion announcement was "a serious investment" but added: "If the costs are greater than that, then we'll have to address that at the time."

Federal Urban Infrastructure Minister Alan Tudge said trains to Geelong could run up to 200km/h, with some express services and others to stop at stations along the way.

But the state government is understood to believe a service that takes 35-45 minutes with slightly slower trains will be more feasible.

The federal and state governments have already co-operated on major regional rail upgrades, after patronage nearly doubled over the last decade with similar growth forecast by 2030.

### **Extra bite for watchdogs**

James Campbell

AUSTRALIA'S corporate watchdogs will be given an extra \$550 million in a massive Budget boost to clean up the tarnished financial sector in the wake of the banking royal commission.

Next month's Budget will include a funding lift for the Australian Securities and Investments Commission of \$100 million a year for the next four years, while the Australian Prudential Regulation Authority will get \$38.5 million over the same period.

The extra money will allow both agencies to take a tougher approach to law enforcement in the wake of the royal commission finding that they had been asleep at the wheel.

Treasurer Josh Frydenberg said the lessons of the royal commission needed to be learned.

"It's time to restore a culture of compliance and accountability that puts people before profit," he said.

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**LONG ROAD TO TRAGEDY**  
TEARS FOR LITTLE HAYLEY | P5



## Banks hit with levy

**EXCLUSIVE**  
**RENEE VIELLARIS**

BANKS will be forced to pay \$550 million to fund a crackdown on the finance industry. Hundreds of investigators and lawyers will be employed to probe banks, and prosecutions – including those referred to in the banking royal commission – will be fast-tracked under new measures to be announced today. **10P-10P15**

**THE RISE OF QUEEN EMILIA**  
INSIGHT | P48-49




# HUNT FOR A KILLER

**Exclusive** The chilling Wolf Creek-style murder mystery that has baffled Qld cops ... until now

THREE friends on the trip of a lifetime through outback Australia. Befriended on the road by a stranger. Lured into the bush and shot. It sounds like the plot of hit film Wolf Creek. But it's not. It's a 40-year murder mystery that happened right here in Queensland. The Spear Creek triple murder case has been reopened and cops say they are close to solving it. **10P-10P17**

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**Banks forced to pay \$550m to fund new investigators, lawyers**

Renee Viellaris, Federal Political Editor, The Courier-Mail

March 22, 2019 10:30pm

BANKS will be forced to pay \$550 million so hundreds of investigators and lawyers can probe and prosecute their sins.

The Federal Government will unveil a day of reckoning for banks and financial institutions through a new Office of Enforcement, plus \$35 million for the Federal Court to hear corporate criminal cases for the first time.

The funding in the pre-Budget announcement, unveiled by Treasurer Josh Frydenberg today, will help fast-track prosecutions, including those referred to agencies from the banking royal commission.

Industry, through big banks and financial institutions, will pay levies to fund the unprecedented crackdown.

About \$400 million will help pay for the Office of Enforcement, through corporate watchdog the Australian Securities and Investments Commission, which will employ hundreds of people, including lawyers.

Financial regulator, the Australian Prudential Regulatory Authority, will receive a further \$150 million to prevent and take action against misconduct.

Shamed by the royal commission for its greed and immoral behaviour, the financial industry is today being told by the Government to take its medicine.

The Federal Court will be expanded and gain two judges and 11 registry and support staff to fast track more criminal cases.

At present, criminal prosecutions for misconduct by banks and financial institutions are heard in state courts.

The change means unlawful activity will be prosecuted sooner and penalties dished out more quickly.

Mr Frydenberg said people had to have trust in their financial institutions.

“The lessons ... must be learned. My message to the financial sector is clear, it's time to restore a culture of compliance and accountability that puts people before profits.

“Through our actions, we will strengthen our regulators with record levels of funding and resources, provide them with more powers and larger penalties and enable the Federal Court to prosecute cases of criminal misconduct in the financial sector,” he said.

“Australians must be able to trust the bank, insurer or super fund that they deal with and know that their interests will be protected.”

**Christchurch just one man's evil, says Joyce**



AAP

BARNABY Joyce says Australia is an “overwhelmingly” tolerant society and suggested the Christchurch massacre was not about Islamophobia but the “abhorrent and brutal” actions of the alleged perpetrator.

In Hobart yesterday, the former Nationals leader said he did not care what motivated the Australian accused of the attack which killed 50 Muslims.

“I don’t care what he was driven by, I don’t care what demented reasons he put forward,” Mr Joyce said. “I look through the eyes of ‘this needs to be prosecuted’.”

Speaking out after Prime Minister Scott Morrison defended the Coalition on The Project, Mr Joyce said he could not answer if the Nationals had an Islamophobia problem as he did not hold the top job.

“Speaking for myself I say of course (I am not Islamophobic),” he said. “I would not be part of (the Coalition) if it was legitimising the persecution of any religious group.”

Mr Joyce also said he did not think Australia had problems with other ethnicities.

“We do demand that people abide by the rules and customs of Australia, because that’s how we have a tolerant and compassionate society,” he said.

“Overwhelmingly, overwhelmingly, that is the case.”

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## BROTHERS IN ARMS

**REECE HOMFRAY**  
ADELAIDE captains Taylor Walker and Rory Sloane have spoken about their unbreakable bond that was forged at West Lakes as teenagers and strengthened through riding the highs and lows of football and life together in the 10 years since. As the Crows head to Adelaide Oval to open their 2019 premiership campaign against Hawthorn today, they will run out behind the pair as co-captains for the first time in the club's history. They arrived in SA within 12 months of each other in 2008 and 2009 and have gone from strangers to teammates, friends, business partners and now captains. **SEE SPORT, PAGES B4-B5**

LEADING THE WAY: Adelaide captains Taylor Walker and Rory Sloane are ready to face Hawthorn in Round 1 at Adelaide Oval today. Picture: SARAH REED

### Chemo doctors blasted

**PENELOPE DEBELLE**  
ARROGANT, self-important doctors were part of SA Health's failures in the under-dosing of 30 seriously ill cancer patients undergoing chemotherapy, four of whom died, a coronial inquest has found.

Deputy Coroner Anthony Schapel said yesterday some doctors had "a perplexing level of apparent insouciance in relation to the whole affair". Mr Schapel also called for a total overhaul in the way hospitals report and respond to medical failures.

**CONTINUED PAGE 4**

### \$600m for bank cops

**MATT SMITH**  
**JADE GAILBERGER**  
AUSTRALIA'S corporate watchdogs will be given a \$600 million boost as part of Treasurer Josh Frydenberg's plan to restore trust in Australia's banks.

A \$400m increase to the Australian Securities and Investments Commission and \$200m extra funding for the Australian Prudential Regulation Authority, over the next four years, is part of a corporate policing package to be unveiled in Mr Frydenberg's first Budget on April 2.

**CONTINUED PAGE 2**

### Murder suspect jailed

**NIGEL HUNT**  
THE prime suspect in three South Australian cold-case murders has been jailed in Victoria for violence and theft.

The offending is similar to the modus operandi in each of the unsolved murders that involved pensioner Steven Hainsworth has been linked to by Major Crime detectives.

The Advertiser can reveal Hainsworth was jailed for six months after pleading guilty to violence and theft offences.

Last year, he noted himself as the suspect in three SA murders dating back to 1998.

**REPORT, PAGES 16-17**

**JOBS SA** NEW CAMPAIGN TO BOLSTER WORKFORCE **PAGE 23, CAREERS**

PM pledge: Australia to be best for migrants

Marnie Banger

SCOTT Morrison says he is determined to ensure Australia remains the world's "best immigration nation", by promoting understanding and calling out people who go against that spirit.

But the Prime Minister has stressed he won't be drawn into a "slanging match" between personalities, after being asked if Pauline Hanson and her One Nation Party were racist. Senator Hanson has called for a ban on Muslim migrants and the outlawing of some of the religion's practices.

"I don't think it helps that we constantly go back to just herding people into tribes and seeking to create further conflict around this stuff," Mr Morrison said yesterday. "I want us to all step back from all that."

The leader is under pressure to commit to preferencing One Nation last at the next election but has maintained the Liberal Party will decide once all candidates have been declared.

Mr Morrison, pictured, reaffirmed his commitment to ensuring people love "all Australians", whatever their background, ethnicity or religion, in a one-on-one interview with Waleed Aly, host of Channel 10 program The Project, on Thursday.

"We are the most successful multicultural country in the Earth, the best immigration nation of any country in the Earth," he said.

The PM also shed further light on a 2010 shadow cabinet meeting in which he has been accused of encouraging colleagues to use community concerns about Muslim migration for political gain.

Mr Morrison told Aly he was actually seeking to improve such attitudes.

"I was acknowledging that there were these fears in the community and that we had to address them, not exploit them," he said.

### **\$600m for bank cops**

Matt Smith Jade Gailberger

AUSTRALIA'S corporate watchdogs will be given a \$600 million boost as part of Treasurer Josh Frydenberg's plan to restore trust in Australia's banks.

A \$400m increase to the Australian Securities and Investments Commission and \$150m extra funding for the Australian Prudential Regulation Authority, over the next four years, is part of a corporate policing package to be unveiled in Mr Frydenberg's first Budget on April 2.

For the first time the Federal Court also is being expanded, with a \$35 million boost, to enable it to deal with corporate crime.

The Banking Royal Commission that was established to look into and report on misconduct in the banking, superannuation and financial services industry handed down a final report in February, with 76 recommendations.

Mr Frydenberg and the Liberals have been criticised for originally not supporting the establishment of the commission.

However, the Coalition has vowed to take action on all 76 recommendations in a bid to restore trust in a sector that employs 450,000 people.

“The lessons of the Royal Commission must be learned,” Mr Frydenberg said yesterday. “My message to the financial sector is clear, it’s time to restore a culture of compliance and accountability that puts people before profits.

“Through our actions, we will strengthen our regulators with record levels of funding and resources, provide them with more powers and larger penalties and enable the Federal Court to prosecute cases of criminal misconduct in the financial sector.”

Mr Frydenberg’s pledge came as he told The Advertiser more jobs for South Australians would be created as a result of the first surplus Budget in more than a decade.

As emerging risks, including a slowdown in the global economy pose a threat to Australia’s fiscal outlook, Mr Frydenberg said the Government’s progrowth agenda would manage the headwinds.

Just over a week from delivering his first Budget, Mr Frydenberg is asking SA voters to sign on to a vision for the next decade.

“I’m confident that we will win the next election because we have a better economic plan for the Australian economy,” Mr Frydenberg said.

“The budget will continue to grow the South Australian economy.

“It will continue to create more jobs for South Australians, and it will guarantee the essential services of hospitals, schools and roads without increasing taxes because it will be delivering the first budget surplus in more than a decade.”

The Treasurer’s confidence comes despite the latest Newspoll, which showed the Coalition lagging behind Labor on a two-party preferred vote of 46 per cent to 54 per cent.

The SA landscape is also a significant challenge for the Coalition, with the state’s most marginal seat, Boothby, being heavily targeted by GetUp! and unions, while the other seat in play, Sturt, has lost the Government’s best performed Minister, Christopher Pyne.

With the community expecting significant announcements in the lead-up to the Budget, Mr Frydenberg indicated income tax cuts might be on the agenda, saying,

“the Coalition will always be the party of lower taxes”, and that Labor’s policies to increase taxes would reduce productivity, leading to fewer jobs and lower growth.

The Coalition is frustrated that, while the foundations of the economy remain sound, with growth at 2.3 per cent through the year and national unemployment falling this week to 4.9 per cent, this has not translated to stronger polling.

Mr Frydenberg has, however, raised concerns about falling house prices, building approvals, and softer household consumption which he says makes up close to 60 per cent of GDP.

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**SNF APPEAL BID 'SOON'**

LAWYERS for convicted killer Stefan Neill-Fraser are planning to file the new appeal with the Court of Criminal Appeal soon. Supreme Court Justice Michael Bennett has ruled Neill-Fraser should be given a second chance to appeal her conviction.

**FULL REPORT PAGE 7**

**REVEALED** Team bid taskforce

# FINALLY... GAME ON

**BLOCKADES TO DRILLING**

BLOCKADES to deny workers access to Inangahua Mount Wellington may begin within days as anti-cable car protesters prepare to shut down drilling works. The cable car company was late yesterday granted authority to conduct geotechnical and flora and fauna studies.

**FULL REPORT PAGE 9**

A HIGH-powered group will be recruited to develop the case and lobby for a stand alone Tasair AFL team. Premier Will Hodgman last night confirmed the Government was pulling together the "dedicated taskforce". AFL boss Gillon McLachlan this week said a Tasmanian AFL team needed backing "from the top down". The Premier has also been lobbying national soccer and basketball leagues.

**CHANEL KINNEBURGH REPORTS PAGE 4**

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**One of the biggest cyclones in our history will make landfall this morning. It has the potential to cause mass destruction to communities as winds reach up to 275km/h. As Territorians, all we can do is ...**

# **HOPE FOR A MIRACLE**

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**D-Day as severe Tropical Cyclone Trevor set to unleash its fury on NT coast**

Steve Vivian, NT News

March 23, 2019 1:30am

ONE of the wildest cyclones in living memory will lash the Northern Territory mainland this morning.

The destructive core of severe Tropical Cyclone Trevor, packing wind gusts up to 275km/h, is expected to make landfall at 10am between Borrooloola and the NT/QLD border as a Category 4 system.

Emergency services have not ruled out the possibility of the cyclone ratcheting up to a Category 5 system as the cyclone intensifies in the Gulf of Carpentaria.

The eye of the cyclone is estimated between 30-50km wide.

A Cyclone Warning remains in place from Cape Shield to Karumba and inland to Creswell Downs.

Bureau of Meteorology NT manager Todd Smith said coastal communities can expect dangerous storm tides, destructive winds and heavy rainfall when the cyclone hits.

“This is a very dangerous tropical cyclone,” he said.

“There is uncertainty of where it will cross (the mainland), so people will need to be advanced in their planning.”

After making landfall the cyclone is expected to move south west into the Barkly region.

“As the system continues to track inland and weaken below cyclone strength, we are expecting strong winds and heavy rainfall that could lead to flash flooding right down into the Barkly, including Tennant Creek,” Mr Smith said.

Communities on Groote Eylandt last night took shelter as the cyclone swept south of the island.

Many from those communities were evacuated to Darwin, but those who remained, particularly in the communities of Angurugu and Alyangula, were told to brace for gale force winds.

A communications blackout hit the island on Friday with landline, mobile and internet services disconnected.

The Northern Territory Emergency Service (NTES) implored those anywhere near the cyclone’s strike zone to immediately prepare themselves, their families and their homes.

“This cyclone is going to be dynamic and it’s going to move fast,” said NTES chief officer Jason Collins

“Those in remote communities who aren’t used to cyclonic conditions need to start preparing their homes, removing all debris and securing any loose items.”



The cyclone has the potential to damage critical infrastructure, with the Power and Water Corporation advising that water supplies in Borroloola, Groote Eylandt, Ngukurr, and Numbulwar could be compromised.

The Department of Health on Friday recommended any individuals in these areas to use boiled or bottled water for drinking, cooking and teeth cleaning should water supplies fail.

## **AFR**

### **Billions in budget tax cuts and handouts on the way**

Phillip Coorey and John Kehoe

Treasurer Josh Frydenberg has softened the ground for billions of dollars in extra tax cuts at next month's federal budget by saying the economic outlook was bleaker now than in December and "pro-growth" measures were needed.

In an interview with *AFR Weekend*, Mr Frydenberg said the April 2 budget would "help frame the contest at the next election", which Prime Minister Scott Morrison is expected to call within days of the document being handed down.

The budget will contain large tax cuts expected to be skewed towards those on low and medium incomes and will be on top of tax cuts legislated last year.

And there is growing speculation about one-off cash handouts for pensioners and other low-income people who don't pay tax. Labor is currently proposing tax cuts 75 per cent higher than the Coalition for low income earners.

The mid-year budget update in December squirrelled away \$9.2 billion for tax cuts under the heading "decisions taken but not yet announced".

The latest budget numbers released Friday by the Finance Department show the budget bottom line is \$2.8 billion better off than it was in December. This is largely due, however, to a drop in spending, including welfare, and a \$1.5 billion increase in income tax, all on the back of a better employment number. Company tax revenue appears to have flattened out.

The budget will be an overtly political exercise designed to springboard the government into an election campaign.

Also on Friday, Macquarie released a paper estimating that on the back of recent spikes in the iron ore price – the February average was much higher than expected at \$US88 per tonne – the government could give away up to \$5 billion in "household assistance" cash payments.

The budget will include \$600 million – to be paid for by the the banks and other financial services institutions on top of what they already contribute – to boost the ability of the regulators to implement the Hayne royal commission recommendations and to fund a commitment by the government to have the Federal Court prosecute white collar crime.

This will include building new court facilities especially for trials of corporate offenders.

Mr Frydenberg indicated that low wages growth and pressure on household spending were ample reasons for tax relief.

Asked if he meant stimulus, he said "that's your word, I'm not using that word".

"The budget and the country need a pro-growth agenda, which is exactly what you will see on April 2," he said.

"The near-term economic outlook is looking softer since [the mid-year budget update in December] with the economy facing some emerging risks," he said.

Outlook bleaker now than in December

Mr Frydenberg said while the economic fundamentals remained sound, as evidenced by this week's 4.9 per cent unemployment rate and an annual economic growth rate of 2.3 per cent, there were concerns on numerous fronts.

"The slowdown in the global economy is occurring with global trade volumes down 3.1 per cent since August, the trade tensions are continuing, and there's the uncertainty over Brexit," he said.

"Both the IMF and the OECD have downgraded their 2019 growth numbers."

Mr Frydenberg said the government was also concerned about falling house prices spilling over into depressed building approvals and softer household consumption

"This matters because household consumption is close to 60 per cent of GDP," he said.

Other factors included the impact of the drought along the east coast and the floods in north Queensland. He said the drought had caused farm GDP to fall by 5.8 per cent whereas the impact of the floods was "yet to fully flow through to the numbers".

"This is all manageable but only with a strong economic plan which gives businesses the confidence to invest and consumers the confidence to spend," he said.

"You only get a strong economy when you've got a pro-growth agenda, which includes a lower tax agenda and that's what we offer."

Mr Frydenberg confirmed the government would forecast a surplus for 2019-20, which was estimated in December to be \$4.1 billion.

Asked if the government should be banking extra revenue, such as that from the iron ore spike, rather than giving it away, Mr Frydenberg hinted he could do both.

"[The surplus] is a number you can bank to pay down debt but it's also a signal that you can send that the government is living within its means.

"And tax relief is critically important and that's why we legislated \$200 billion of it," he said, in reference to the \$144 billion in income tax cuts and the small and medium business company tax cuts already legislated.

"You can do that at the same time as bringing a budget back to surplus."

Mr Frydenberg said lifting productivity was the key to the wages dilemma and he hinted tax cuts were a way to do that.

"In order to lift wages you need to lift productivity,' he said.

"Those tax cuts we have already legislated will help lift incomes."

The mid-year budget update said the government would not hit its self-imposed cap of taxes not exceeding 23.9 per cent of GDP until 2025-26, meaning there was no need for more tax cuts until then. But the latest revenue surge on the back of commodities led to estimates that cap would now be reached in 2021-22.

Mr Frydenberg would not discount this.

The budget will be an overtly political exercise designed to springboard the government's into an election campaign. Its bigger theme will be that the government can deliver a surplus, cut taxes and fund essential services, all without increasing taxes.

Last year, the Senate passed the government's three-stage income tax cuts.

At the cost of about \$20 billion, stage one, which began on July 1, is worth about \$530 a year to low-and-middle-income earners.

Stage 2 for higher income earners begins on July 1, 2022 while stage three for those on the highest incomes begins on July 1, 2024.

Labor will revoke stages two and three if elected and implement a more generous version of stage one, which gives cuts 75 per cent greater to 10 million people.

### **Making Australians feel safe doesn't mean all of us**

Laura Tingle

New Zealand artist Ruby Jones shared a simple drawing online last week after the massacre in Christchurch. It depicts a Muslim woman being embraced by another woman in grief. "This is your home and you should have been safe here", the message says.

It is an image that has gone viral online and now adorns buildings all over Christchurch.

Among the most moving images to emerge amid New Zealand's grief and horror are the symbols of a country asserting the 'belonging' of its Islamic community: human chains standing protectively behind people kneeling at prayer in a park; grim-faced policewomen standing guard outside a cemetery wearing the hijab in a sign of solidarity and respect.

In Australia, news of the murder of 50 people, and the injuring of another 50, by a coward who chose to attack a group of people on their knees in prayer, may have sent a jolt through the too common perception of an entire community as perpetrators of violence rather than victims of it.

On Monday, the Prime Minister called for an end to tribalism: a welcome development which would have been more potent if his side of politics had not made it their standard modus operandi in the last twenty five years. **David Rowe**

It may have created a sudden realisation that racist extremism on the hard right poses just as much of a threat as the threat of jihadi violence that has been such a steady diet of our national security discussion.

But it seems it has not stretched to our government being able to do anything to either persuade us, or capture that kiwi spirit that says to our Muslim community, 'this is your home and you should feel safe here'.

Nor does it seem to have fully registered that that there are consequences to any sort of politics that plays with the targeting, or excluding, or vilification of any one group, whether that be Muslims, Asians, or Indigenous people.

On Monday, the Prime Minister called for an end to tribalism: a welcome development which would have been more potent if his side of politics had not made it their standard modus operandi in the last twenty five years.

We have to learn to disagree better, Scott Morrison said. Also true.

And it is true that the tribalism, whoever started it, has become too endemic across our political spectrum.

But if you are really trying to stop it, you don't immediately respond to someone else attacking you with dodgy moral equivalence that begins in sentences like, "I'm not going to be lectured to by a party that ...", rather than acknowledging possible fault, or at least arguing your own position rather than simply attacking the other side.

And you don't, just now, try to find the positive side to a politician who refers to Islam as a disease.

The Coalition's track record when it comes to its preparedness to, at the very least, isolate and often tar the Muslim community in a way which excludes it has been in the spotlight all week in the wake of the Christchurch murders.

That focus rightly starts at the top, with the Prime Minister.

The Prime Minister aggressively denied that he had urged the Coalition to politically exploit anti-Muslim feeling in the community during an interview with Waleed Aly on The Project on Thursday night.

Scott Morrison did all the right things in terms of going to a Sydney Mosque after Christchurch. He called for national unity.

But his history of taking low shots is too obvious to most people to allow him to be able to really exercise leadership in this space.

That history includes his questioning of taxpayer's dollars being used to fly families to Sydney to attend the funerals of loved ones killed in an horrific shipwreck off Christmas Island in 2010.

It was an intervention that so outraged even some of his own colleagues at the time that they leaked against him over interventions he had made at a shadow cabinet meeting in February 2011, which at least some of those present interpreted as an argument that the Coalition should seek to politically exploit anti-Muslim feeling in the community.

The clear intent of the leak was to paint Scott Morrison as someone who had form on this sort of politics.

On Thursday night, the Prime Minister aggressively denied that was what he had done at that meeting, though acknowledging the subject of anti-Islamic sentiment had been discussed.

"What is suggested is that I said that we should exploit concerns about Islam in the community to our advantage", Morrison told Waleed Aly on *The Project*.

"I was concerned that we needed to address them, which is what I have been doing inside and outside of the Parliament for the last 10 years of my life.

"I was acknowledging that there were these fears in the community and that we had to address them, not exploit them."

"You implied that Muslims couldn't feel safe because they had a Prime Minister who somehow had been prejudiced against them and I don't believe that's true," Morrison said.

But apparently the Prime Minister believes that, even if he is not prejudiced against Muslims, it is still a right of everyone else to be so, starting with his own party, and that he has no role as a leader in trying to signal that is not okay.

Morrison said he did not believe the Coalition had a problem with Islamophobia.

"I don't think the Liberal Party does as a total group. And I don't think the National Party does either," he said.

"Our party is made up of a lot of individuals and in our parties individuals have a lot more freedom to say what they think than other parties.

"It's not for the party to answer for every single member on every occasion."

Opposition Leader Bill Shorten had responded to the Prime Minister's call for an end to tribalism with his own call for an end to "dog whistling by political leaders about immigration and asylum seekers" and for the major parties to "form a ring, a bond" to stop "the crazy extremists from getting oxygen, both by our commentary and by our preferences at the next election".

Putting that into practice, Shorten said that Labor would ensure that his party would put Pauline Hanson – or Senator Fraser Anning – last on all its how to vote cards.

That is, of course, a lot easier for him to do than the Coalition: while Labor has sometimes benefited from One Nation preferences in some electorates, it does not depend on them as the Coalition now does across a swag of seats in Queensland.

But this has only highlighted the real world choice Scott Morrison must make.

Asked repeatedly this week whether the Coalition would also put One Nation or Fraser Anning last on how to vote cards, he rather disingenuously answered that the Coalition wouldn't do any deals with the minor party.

When pressed, he said it was up to party organisations on the ground to determine preferences.

Apparently there is no role for leadership here. No role for a Prime Ministerial intervention to say 'enough is enough', tribalism means trying to improve the quality of our debate, not give hate speech the legitimacy of a parliamentary voice.

No room, it seems for a potent symbol to the Muslim community – and all the others vilified by the likes of One Nation – that they can feel safe in the country they call home.

## **ABC NEWS**

### **New Zealand's deputy PM sidesteps Turkish leader's threats over Christchurch attack, Gallipoli**

Turkey's President has played footage of the Christchurch mosque shootings just hours after meeting New Zealand's Foreign Minister and assuring him of the safety of Australians and New Zealanders visiting Gallipoli.

Key points:

- Mr Peters took a conciliatory tone during a speech in Turkey
- He said he did not see any "sound, peaceful purposes" for raising the issue
- New Zealand's deputy PM also said the gunman faces life prison in isolation

Recep Tayyip Erdogan received strong international criticism for playing the footage at campaign rallies and for saying Australians and New Zealanders would be sent home in coffins if they came to Turkey with ill-intent towards Islam.

Despite New Zealand trying to stop the video from being shown around the world, the country's Foreign Minister Winston Peters did not raise the issue in an emergency bilateral meeting with Mr Erdogan, saying he believed the Turkish President would not do it again.

"I did not see any sound, long-term peaceful purposes in raising it," Mr Peters said immediately following the meeting.

"I did not ask that question because I felt I didn't have to ask it, because they are not doing that anymore."

However, within hours, Mr Erdogan played the footage again at a rally in the city of Konya.

A response was sought from Mr Peters, who said he did not wish to comment further.

Mr Peters travelled to Turkey to confront Mr Erdogan after the Turkish leader screened video clips of the attack in which 50 people were killed at election campaign rallies.

Mr Erdogan also drew a rebuke from Australian Prime Minister Scott Morrison for comments appearing to suggest that Australians and New Zealanders with anti-

Muslim sentiments would be sent back in coffins like their ancestors who fought against Turks in the World War I Battle of Gallipoli.

But Mr Peters took a conciliatory tone during a speech at an emergency session of the 57-member Organisation of Islamic Cooperation's (OIC) executive committee called by Turkey to combat prejudice against Muslims.

He welcomed comments by Turkish Foreign Minister Mevlut Cavusoglu, who said at a news conference at the end of the OIC meeting, that Australians and New Zealanders visiting Turkey would be greeted at Gallipoli remembrance ceremonies next month with the same welcoming hospitality "as they always were".

Mr Peters said: "We are returning home to New Zealand with a grateful assurance that our people will come here to commemorate Anzac and will be as welcome as they always were".

He said that he didn't discuss Mr Erdogan's use of the footage with Turkey's foreign minister or president though it was widely expected that he would raise the issue.

"I did not see any sound, peaceful purposes in raising it," Mr Peters said, adding that they had received "very assuring information" from the Turkish presidency.

Speaking at the emergency session, Mr Peters told representatives of Muslim nations that the mosque gunman faces life prison in isolation.

"No punishment can match the depravity of his crime but the families of the fallen will have justice," he said.

Australian Brenton Harrison Tarrant has been arrested and charged with murder. The 28-year-old livestreamed the attack and released a manifesto describing his white supremacist views and how he planned the shootings.

The OIC, in a declaration, urged all countries to refrain from statements and policies that associate Islam with terror and extremism.

It also demanded that March 15 — the day of the Christchurch attack — be marked as the International Day of Solidarity Against Islamophobia.

Addressing the OIC meeting, Mr Erdogan praised Ms Ardern, saying her "reaction, the empathy displayed and her solidarity with Muslims" should serve as an example to all leaders.

Mr Erdogan slammed populist politicians who he said encouraged attacks on Muslims and refugees.

"Politicians who pave themselves the road to power by alienating Muslims and creating enemies out of refugees, must pull themselves together."

He also called for neo-Nazi groups to be considered terrorists.

"If we don't show our reaction in a strong manner, the neo-Nazi virus will engulf the body even more. If we don't raise our voices, Western governments will not disrupt their comfort."

