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**TRANSCRIPT OF SENATOR THE HON. ARTHUR SINODINOS AO  
INTERVIEW WITH BARRIE CASSIDY  
ABC INSIDERS**

*Subjects: Election result, budget repair, superannuation, new cabinet composition, Medicare, tone of the next Parliament.*

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**BARRIE CASSIDY**

Arthur Sinodinos welcome.

**ARTHUR SINODINOS**

Thanks, good to be with you Barrie.

**BARRIE CASSIDY**

Well the government promised stability and you gave us Bob Katter it's not an ideal result.

**ARTHUR SINODINOS**

Look Barrie, the outcome of this election is that it looks like we are on course to get a majority. Malcolm Turnbull spent the last week talking to people like Mr Katter and Mr Wilkie and McGowan and Xenophon and co. I think he has done a good job this week of shoring up the condition of the government.

**BARRIE CASSIDY**

So why did he do that, that was just a bit of insurance?

**ARTHUR SINODINOS**

Absolutely, and I think that is very important to send a signal to the public that he was doing everything he can to promote stability.

**BARRIE CASSIDY**

What are the two seats that you think are most likely to deliver the 76?

**ARTHUR SINODINOS**

Well I think they would be Capricornia and Flynn.

**BARRIE CASSIDY**

And a chance in Herbert?

**ARTHUR SINODINOS**

Yes I think we are but look there's a count, let's wait for the final count. But we have won this election, I believe, we are the government and I think that's a good thing for Australia.

**BARRIE CASSIDY**

Even if you get to 76 though do you think you then have a mandate for the 2016 Budget?

**ARTHUR SINODINOS**

Look, we got more primary votes than Labor and we are going to end up ahead of them on the two party preferred. We are the government so if anyone has a mandate it is the government. This idea that there is no mandate for everybody, well that just confuses the public even further. Someone has to put forward a plan, we have put forward a plan. In fact in the election one of the top three things we had going for us was the fact that we had economic management as a strength and we had a plan to back that up.

**BARRIE CASSIDY**

But is it a mandate though for the Budget, or do you go back and look at it line by line?

**ARTHUR SINODINOS**

Look Barrie what we do with the Budget is ultimately a question for the Cabinet, the Ministry and the Party. But what I am saying to you is we have a mandate and we should proceed with that mandate and the Budget is part of that.

**BARRIE CASSIDY**

But what you are saying is that the Budget is not necessarily in place as it was before the election?

**ARTHUR SINODINOS**

No, I think we will put up all the elements of the Budget. But what I am saying is I believe we have a mandate to do that.

**BARRIE CASSIDY**

What about superannuation? The changes around superannuation. Peter Dutton says that's something you should look at again, he said that Malcolm Turnbull had acknowledged that point, I'm not sure that he did. But Scott Morrison seems determined that it remains.

**ARTHUR SINODINOS**

Look when it comes to superannuation let's be very clear about this. I don't believe it had the impact in the election that some people seek to exert. If you look at some of the seats where it should have had the impact like very safe Liberal seats like Julie Bishop's and the like, we actually had a swing towards us. So I don't believe that superannuation was quite the make or break issue that some people seek to make it. Questions about what happens about the Budget ultimately will be a matter for the cabinet and the government. But what I am saying is we have a mandate and I believe we should put up the Budget as it is.

**BARRIE CASSIDY**

But even so with superannuation do you accept that it had an impact on morale and the level of enthusiasm around the polling booths?

**ARTHUR SINODINOS**

Well there are lots of things which can have an impact on morale and enthusiasm in a campaign, but the whole point of what we were doing was to say that every part of the community has to play its role when it comes to budget repair and that we can't look fair if we say that the burden should fall on those who are most vulnerable. Those who are in a better position to contribute, including those who are taking advantage of tax concessions have a role to play in budget repair.

**BARRIE CASSIDY**

So when you say you don't think it had the, or the impact is exaggerated are you then saying you will be arguing those superannuation changes stay in place?

**ARTHUR SINODINOS**

Well I will continue to argue the importance and the merit of those superannuation changes.

**BARRIE CASSIDY**

Right OK. And Michael Kroger's point that the damage was done between September and May as he put it, because you floated some taxation ideas that didn't land, is there merit in that?

**ARTHUR SINODINOS**

Look, in the campaign one of the top three issues going for us was economic management and having a plan. And that was the plan we set out in the Budget. The Budget was our plan for economic leadership. In the run-up to the Budget there had been consideration of other issues, but if we had, for example, embraced the GST in the first half of this year, I'm not sure that would have done our electoral prospects

much good. We rejected the GST because we didn't believe it could work in economic terms given the amount of compensation that had to be provided, so I'm not quite sure what Michael is getting at; the campaign showed clearly that whenever we focused on economic management we did well.

**BARRIE CASSIDY**

I don't think his criticism is that you didn't adopt the GST, it's that you put it out there along with a couple of other ideas, and then it just went away.

**ARTHUR SINODINOS**

Well the GST had been on the table before Malcolm Turnbull became Prime Minister. What happened when we came in was we had an extensive examination of that, and other options, and, based on evidence, we decided not to do it. It was an example of evidence-based policymaking, and I think we should praise that.

**BARRIE CASSIDY**

There are a lot of fifth quarter experts of course, and we're gathered here this morning, but Michael Kroger, the point that he makes, that Malcolm Turnbull looked like a bit of a ditherer between perhaps January and July, there are those who say he lost the middle-ground, people who were disappointed he didn't sign-up to some of their social values, there are those on the right who say the day Tony Abbott went was the problem, and then you introduced these super changes. Is it all of the above or none of the above?

**ARTHUR SINODINOS**

Look, in terms of the campaign, there will be a review afterwards about what went wrong and what went right, so that's a separate process. The fact of the matter is, we won the election and we're now looking forward, and we can't afford, as a country I think, given some of the challenges we face, to spend too much time re-analysing the entrails of the election when Standard and Poor's have made it very clear the country faces some pretty big challenges in the period ahead.

**BARRIE CASSIDY**

But how do you do that? How do you do what Standard and Poor's is asking for? That is, more Budget repair, when you've got a Senate that is essentially protectionist and populist.

**ARTHUR SINODINOS**

Well I think jaw-jaw is better than war-war, and what I mean by that is: we have to make the Parliament that the Australian people have given us work. That's an obligation on the Liberal and National Parties, it's an obligation on the Labor Party, it's an obligation on the minor parties. We have to sit down and work this through, but we can't work it through on the basis that there's a blank cheque when it comes to the Budget, because it's clear we don't have that luxury.

**BARRIE CASSIDY**

What do you do in terms of building or repairing the relationship with the right of the Party? There's a suggestion in *The Australian* at the weekend that the Immigration Minister, Peter Dutton, will be invited into the National Security Committee, is that right?

**ARTHUR SINODINOS**

Look, ultimately that's a matter for the Prime Minister, but can I say I think Peter Dutton has played a very good role in the campaign, he's a solid contributor in the Cabinet, and I think when it comes to listening to the right – in inverted commas – the Prime Minister is aware that he straddles both the small-l liberal and small-c conservative wings of the Party, and his role is to bring them together, and I think he will show that in the period ahead, just as his role as a national leader is to lead the Parliament in coming together and coming up with outcomes in the national interest.

**BARRIE CASSIDY**

Now, whatever he does though, in terms of that relationship, I assume that there's no role for Tony Abbott in the Cabinet?

**ARTHUR SINODINOS**

Well again, that's a matter between the Prime Minister and Tony Abbott. All I will say is that Tony played his role during the campaign, he campaigned for other people, he campaigned in his seat, he played as a member of the team, and what was good about this election was that there were no breakouts on our side, that we played as a unified team right throughout the campaign.

**BARRIE CASSIDY**

The Prime Minister's focus seems to be on renewal, he uses that term a lot. That seems to suggest that if he wanted to reach out to the right, he would promote up-and-coming right wingers rather than Tony Abbott?

**ARTHUR SINODINOS**

Look, I'm not going to speculate on what the Prime Minister might do. It is quite a talented group at various levels, middle age, younger ages and the like so I think there is a pretty good stream of people to come through. We also need to make sure we continue to develop our younger women and bring them through because it's important to have that group of women who can come through in to Cabinet and so ultimately Cabinet is also more representative of the greater diversity of the community.

**BARRIE CASSIDY**

What about this Cory Bernardi's talk of starting up a movement? Are you a little uneasy about that?

**ARTHUR SINODINOS**

No, for a while now Cory's had a conservative website and he's tried to encourage conservatives to come together and what he's talking about is in effect a conservative alternative to GetUp. GetUp targeted various people around the country, the most celebrated of course being Andrew Nikolic in Bass. I think they poured something like half a million dollars in to that seat to unseat him and what Cory is saying is well if GetUp is going to take that sort of targeted approach, we, on the right should be doing the same thing.

**BARRIE CASSIDY**

But GetUp was spawned from outside the party. Isn't the danger here that a new movement would be from within the Parliamentary party - that would have to be very carefully managed.

**ARTHUR SINODINOS**

What he's talking about is a group that I think straddles the party and outside the party as well and I think Cory is in a good position to be able to balance those considerations.

**BARRIE CASSIDY**

Can I ask you about health as well? And Malcolm Turnbull did talk about the fertile ground that exists there. Can you really fix that problem without spending more money?

**ARTHUR SINODINOS**

Look, I'm not going to speculate on what we do on health. There are two aspects to this, the first is that people did have reservations about us on health that was the ground in which this Medicare scare could get off the ground. Now while privatisation itself was a lie, we weren't going to privatise Medicare, the fact of the matter is they were scratching away at an itch that people had about Medicare and our attitude to Medicare. One of the challenges we've got in the three years ahead is to show once again to the Australian people that the Coalition is the best friend Medicare ever had.

**BARRIE CASSIDY**

But the problem with that though isn't it that you either think you can deal with this just rhetorically or you actually have to spend money and you'd have to spend money on things like unfreezing the rebate, putting more money in to hospitals, maybe ensuring prescriptions, the cost of prescriptions don't go up?

**ARTHUR SINODINOS**

What we do specifically in terms of measures is a matter for the Cabinet and the Budget committee to look at ultimately. What I'm saying is, while it's important that we deal with Medicare, we will do it in a context where there is no blank cheque for the Budget as a whole. In other words, if we do more on Medicare we have to understand that if we're not going to blow the Budget then we have to be able to offset that by savings elsewhere.

**BARRIE CASSIDY**

Now after the last close one in 2010, Tony Abbott's tactics seemed to be to create a sense of crisis and chaos. What approach do you think Bill Shorten will take? What approach do you think he should take?

**ARTHUR SINODINOS**

Well the approach he should take is to live up to his word that he, like Malcolm Turnbull, wants this Parliament to work. I think the actual approach he'll take is to destabilise because he's got Anthony Albanese breathing down his neck, he's predicting an election within a year because he wants to keep his troops on their toes, locked in behind him because he knows the longer this Parliament goes the more likely it is that he will lose his job.

**BARRIE CASSIDY**

And just finally, is Malcolm Turnbull's leadership secure and is there any prospect of another election this year?

**ARTHUR SINODINOS**

His leadership is secure because we've won the election and he's also been able to speak to the independents who have made certain agreements with him. As regards to an election this year, I don't believe there will be an election this year, I believe there will be an election in three years time, we are utterly determined to make this parliament work.

**BARRIE CASSIDY**

Senator, thanks for your time this morning, appreciate it.

**ARTHUR SINODINOS**

Thanks Barrie.

**-ENDS-**