

MEET THE PRESS

28 JULY 2013

INTERVIEW WITH KIM CARR

KATHRYN ROBINSON, PRESENTER: Good morning. I'm Kathryn Robinson. Welcome to Meet the Press. Today - a horrific story from Indonesia. One woman's bid for freedom in Australia ended in tragedy last week when the boat she was seeking asylum on sank. Her 4-year-old son drowned. She has told her story to News Corp Australia's Paul Toohey, and we can bring you some of the images he obtained in Java. We warn some aspects may be disturbing to watch. Also - the local car industry hits the skids. Prices are set to plummet as manufacturers attempt to off-load a glut of new vehicles - a problem created by changes to the fringe benefits tax. Our guest today is Industry Minister Kim Carr. Also - the Myer CEO sits down for a frank interview about the future of the retail giant. And later, we lighten things up with a look at TV's top 100 - the most loved and loathed characters to grace our screens. We have an exclusive interview with the actor behind a character we love to hate - 'Neighbours' villain Stefan Dennis.

STEFAN DENNIS: You know, as a young actor, I took that on board. "Ooh, yeah, yeah, better make sure I get different roles all the time." And all of that. Now, you know what? I kind of like being typecast as the villain.

KATHRYN ROBINSON: But first this morning, News Corp Australia papers are carrying a heartbreaking story of a woman whose bid for a life in Australia turned to tragedy. This is Selvamalar, a Sri Lankan mother. She and her 4-year-old son joined 187 other asylum seekers on a people smuggling boat bound for Australia on Wednesday. Shortly after the vessel took off from a village in West Java, it broke down and sank. During the botched rescue attempt, Selvamalar was separated from her son. The next time she saw him was in the village's makeshift morgue. These images were taken minutes later. Selvamalar had been trying to get to Perth to join her husband, a Sri Lankan Tamil who had been granted asylum four years ago. Selvamalar tried to gain legal entry to Australia but, in desperation, she turned to people smugglers. Her story isn't unique. In camps such as these, her story is frighteningly common. These asylum seekers survived Wednesday's disaster, but many of them will board another boat and try again. Well, this latest tragedy happened less than a week after the Federal Government introduced the PNG Solution, a plan that, in part, aims to discourage asylum seekers from taking their fight for freedom into their own hands. The message is being sold in a multimillion-dollar advertising blitz, but so far it doesn't seem to be getting through. Selvamalar says she's never heard of Kevin Rudd, nor the PNG Solution. Joining us today is Labor Senator Kim Carr and our panel this morning - Network Ten's political editor, Hugh Riminton, and from News Corp Australia, political correspondent Steve Lewis. Good morning to all of you.

STEVE LEWIS: Good morning, Kath.

KATHRYN ROBINSON: Senator, I will begin with you. 1,200 asylum seekers, 16 boats in seven days since the PNG plan was announced. The numbers alone would suggest that it's not working?

KIM CARR: Well, Kathryn, what we've said all along is that this was an important step towards stopping people getting on the boats. We want to keep people alive. We want to stop people from drowning. There is no doubt that the people smugglers will be trying to flood Australia with passengers to try to break the resolve of the Government. And this was expected, and, as tragic as these circumstances are, we want to ensure that people do understand we are very determined to stop people from drowning.

HUGH RIMINTON: Senator, it's one thing to blame people smugglers, but, uh, this woman was trying to get back with her husband, with her child. He had been here for four years, having been granted asylum. Surely the system is broken in a profound way if someone who's been in Australia for four years cannot have a legitimate system by which he brings his wife and child to the country?

KIM CARR: I can't see how that's an excuse for imploring people smugglers to try to come in through the back door in this way. We have a proper, orderly system. The Australian Government has increased the number of humanitarian resettlement places to 20,000. We are in the process of considering how to increase it to 27,000. We have a very strong family reunion program. We are amongst the top three in the world.

HUGH RIMINTON: Well - sorry, Senator. How strong can the family reunion system be, how orderly can this process be, that after four years a man can't bring his wife and child into the country to join him?

KIM CARR: But Hugh, how does that justify this action?

HUGH RIMINTON: Because the families have to be together.

KIM CARR: How does that justify?

HUGH RIMINTON: In fact, there are UN conventions that recognise the right of families to be together.

KIM CARR: All that's true, Hugh, but we are in the business of trying to get people to apply through normal channels, and not place themselves - and they're obviously placing their lives at risk - by putting themselves in the hands of these people smugglers.

STEVE LEWIS: Senator Carr, you talk in the book that you have recently released, 'A Letter to Generation Next' - you talk about the fairness and equality which is at the centre of Labor's ideal and why you signed up to the party. Is fairness and equality at the centre of the PNG Solution, which is probably the most right-wing and conservative policy we've seen from any government since Federation in respect of asylum seekers?

KIM CARR: Well, I believe it is. I believe it's fairness to make sure that people don't drown. I think that it's compassionate to make sure people don't drown. I believe that it fulfils our international obligations to ensure that we do our fair share in regard to the resettlement of refugees. All of these things are being done. We are expanding the humanitarian program. We have obligations to a lot of people around the world, to people from the Horn of Africa, to people who are stuck in camps all over the world. We can't just assume that if a group of criminals want to flood Australia with people on these very, very dangerous boats, that we should acquiesce to it, and we will not.

STEVE LEWIS: I want to ask you about the advertising that we've seen for the last week, both on newspapers and on radio. Surely that's a breach of the convention that says that taxpayer-funded advertising shouldn't be essentially political. Aren't these ads that we're seeing essentially an attempt to try and win back support to the Labor Party, which has been haemorrhaging on the asylum seeker policy?

KIM CARR: No, it's not. This is about alerting people in Australia not to try to encourage others to come to Australia on these very dangerous voyages. It's designed to actually tell people that we are in the business of stopping this from happening.

STEVE LEWIS: You don't accept they're overtly political?

KIM CARR: It's also - No. I think they're about providing appropriate information so that people know how serious we are.

HUGH RIMINTON: Senator, doesn't this fail, though? Because Selvamalar said she had never heard of PNG, she'd never heard even of Kevin Rudd when she made that fatal decision in the end to get on that boat. It's one thing to put ads in Australia, it's not getting to the people who are getting on the boats.

KIM CARR: Well, I presume that the unfortunate circumstances - that we have also advised her husband about the changes that we've introduced. We are in the business of making sure people know we are fair dinkum about this, and we are not going to be swayed from it.

HUGH RIMINTON: Do you think that this has been worth it? The polling numbers now have - on the latest polls today, for the first time, the Labor Party is ahead of the Coalition on the question of who's better able to manage asylum seeker policy. Do you think that you are now aligned, in a way that you never have been for years, with the Australian people on this issue?

KIM CARR: Well, there's no doubt the Australian people have very strong attitudes on this question. They've got a right to have those attitudes. We are, however, concentrating on stopping people from drowning. That is our preoccupation. That is the intent of this policy, to stop people from drowning. And I think it's entirely appropriate. It's well-calibrated, well thought-through and will be delivered effectively.

STEVE LEWIS: Kim Carr, you were one of the key backers of Kevin Rudd, getting him back to the leadership. You have done that. The polls now show - the Galaxy poll today shows that Labor and the Coalition are neck and neck. But you would know, as

Industry Minister, that business in particular wants an end to the frustration about when the election should be held. Shouldn't we bring it on? Shouldn't the election be held as soon as possible?

KIM CARR: Well, Steve, this is the prerogative of the Prime Minister. Always has been, always will be. We have set ourselves the task of ensuring the Australian people have real choices, have real options, and they will make a decision about the future directions of Australia. And so what we've seen over the last month is a fundamental change in the political dialogue in this country. And I think it's appropriate that we fulfil our obligations to the Australian people to ensure that there are real choices and real options about the future directions of this country.

HUGH RIMINTON: Whenever the election is held, of course, people will vote for the House of Representatives and the Senate. As a Senator, with the way the polling is going now, do you feel confident that parties on the progressive side of politics will retain the balance of power in the Senate after the next election?

KIM CARR: Well, my preoccupation is actually the government of Australia, to ensure that the policies that we have been pursuing are able to continue, and that we have real options for the future of the country. The Senate is an important part of the political system, and we will ensure that there's proper accountability of whatever government is in place. But the concern I have is to ensure that Kevin Rudd remains as Prime Minister and that we're able to see through the changes that we're making to rebuild this country, to make it a fairer country, to make it a richer country, and to make it a greener country.

KATHRYN ROBINSON: Well, we do need to take a short break right now, Senator. But after the break - Australia's car industry hits the skids, and manufacturers blame changes to the FBT. We'll discuss this issue with Industry Minister Kim Carr.

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KATHRYN ROBINSON, PRESENTER: Well, if you're in the market for a new car, now might be the time to strike. Recent changes to the fringe benefit tax have seen many large car orders cancelled, leaving manufacturers with a glut of new vehicles. The problem could have significant long-term effects as well, with Ford Australia confirming it is considering cutting production of two popular models. And according to a confidential memo obtained by News Corp, Holden is offering massive discounts across most of its range. The Coalition has indicated it will reverse the tax should it win the next election, but the Federal Government appears to be standing by the controversial tax changes. Our guest today is Industry Minister Kim Carr. Senator, we're being told in the papers today to stand by for a short-term price war as car dealers are panicking. They need to off-load these cars that they've got due to the fringe benefits tax. As Industry Minister, isn't this exactly what you don't want happening to an industry that's already on its knees?

KIM CARR: Well, my focus is on Australian production. We have the lowest production levels in this country since 1957 at the moment. That's a matter of deep concern to me. What we're seeing is the effect of the high dollar, we're seeing the currency manipulations that occurred in other countries. We're seeing the effects of some of the trade agreements which have shown up in the fragmentation of the Australian market, and it's making it more difficult for anybody to make any money at the moment out of the production of motor cars.

HUGH RIMINTON: Aren't you putting more pain on to exactly these people by shifting an FBT arrangement which made it easier for people to buy, among other things, those very same Australian-made cars?

KIM CARR: Well, the truth of the matter is only a minority of vehicles were being purchased from the FBT arrangements for going towards the Australian-made vehicles. We've got a simple policy proposition here. Is it right for the taxpayer to fund the private use of people's motor cars? Now, I say that's not right, and that we've got to find a mechanism to make the taxation system fairer. If it's a question about encouraging people to buy Australian, well, I'm all up for that. The state governments should be doing a lot more to buy Australian. We have seen a very significant drop in the number of cars that state governments are buying from Australian manufacturers. From local government, the same can be said. We're seeing, for instance, in Western Australia and in Queensland, less than 25% of the government fleets are now being sourced from Australian suppliers. Now, that's just not good enough.

STEVE LEWIS: Kim Carr, what are you going to do as Industry Minister to reverse this?

KIM CARR: Well, we are talking to the states about fulfilling their obligations to buy Australian, and to encourage them to think of their national responsibilities, rather than buying imported cars. Now, we want to see more people buy Australian motor vehicles. They are a very high quality, they're very fuel-efficient, they are very environmentally sensitive. They are technologically very advanced. What we've got to do is encourage more people to buy Australian.

HUGH RIMINTON: Would you consider shifting or amending this FBT arrangement so that you can get the FBT advantages if you buy Australian?

KIM CARR: No. The measures are designed to bring fairness to the taxation system. These are measures that I support. What we have to do is look at other ways in which we can encourage people to buy more Australian motor cars. And I think people who do that will be very richly rewarded as a result.

STEVE LEWIS: But Kim Carr - Kim Carr, isn't the reality that the politics of this will condemn some of your MPs, people like Darren Cheeseman in Corangamite on the fringe of Geelong, to losing their seats at the election? That the public is going to turn against you as a result of this particular policy? Do you not accept that?

KIM CARR: No, I do not accept that. The public accepts the need for fairness in the taxation system. The public accepts the need also-

STEVE LEWIS: So this was a rort - this was a rort, as far as you're concerned? This FBT measure?

KIM CARR: What I'm saying is-

STEVE LEWIS: Do you accept it was a rort?

KIM CARR: It was introduced - it was introduced 20 years ago to encourage people to buy Australian cars. They no longer do that through this mechanism. So that original policy intent, of course, has been lost. We've got to find other ways to encourage people to buy Australian cars, because they are very good value.

HUGH RIMINTON: Can I ask you on another portfolio matter, that is Higher Education - are people entitled to feel confused by government policy on this? We have more students going into universities as the funding goes down in universities. How do you resolve that fundamental dilemma?

KIM CARR: Well, what I can point to is that since 2007 we have nearly doubled the amount of money going into higher education. What I can point to is 190,000 extra people are finding a place at university. What I can point to is the fact that there's been a massive expansion in the participation rates for Australians able to go to university. That's a very good thing. What I want to look at is ways in which we can improve the education experience for people. We want to now turn increasingly to the importance of ensuring more and more people complete their university degrees, and they're able to have a degree which is second to none anywhere in the world.

STEVE LEWIS: Kim Carr, we're almost out of time. Can Labor stem the losses in Western Sydney and parts of Queensland to win the election, whenever it's on?

KIM CARR: Look, I'm - I think there's a lot of work for us to do. But I have got no doubt that Labor can win the election. It will depend - our capacity to win the election will depend on how much effort we put into it. I believe that the Australian people are looking for real choices and real options, and that's what we'll provide for them - real quality in terms of the opportunities there are for the future political direction of this country.

KATHRYN ROBINSON: Senator Kim Carr, we are out of time, but thank you very much for joining us on Meet the Press this morning.

KIM CARR: Thank you.

KATHRYN ROBINSON: Well, coming up next on the show - a Labor insider and a Liberal powerbroker go head to head.