



**SENATOR THE HON PENNY WONG
MINISTER FOR FINANCE AND DEREGULATION
LEADER OF THE GOVERNMENT IN THE SENATE**

TRANSCRIPT

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TRANSCRIPT OF INTERVIEW – ABC NEWSRADIO WITH MARIUS BENSON

SUBJECT: ECONOMY; AUSTRALIAN LABOR PARTY

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BENSON: Penny Wong, on the economy, the Government has been pointing to strong economic numbers for years: on growth, on unemployment, on interest rates. Some job ad figures out yesterday indicated that unemployment is on the rise – is the future economically for Australia less gleaming than in the past?

WONG: What we're going through in the Australian economy is a transition. It's true we've got, by world standards, low unemployment. We've got low interest rates, we've got contained inflation and we've got solid growth.

But what we are seeing is a change in our economy from a time where we see a lot of investment in construction and in the mining sector. And that will shift, of course, to the production and export phase. Now that's a good thing for the economy because we'll be exporting more and we'll earn that income but that sector will then be employing less people than it was during the construction phase. So obviously what you have to do as a government is look at how you ensure you have job creation in other sectors of the economy.

BENSON: Is a rise in unemployment inevitable?

WONG: I think the Government has made very clear the priority is jobs and we will continue to put jobs first, just as we did during the global financial crisis. Since we came to government we've seen over 950,000 jobs created. It's an example of how Labor governments do put jobs first.

MARIUS: But it's ticking up, the unemployment rate. Will that continue?

WONG: Our projections in the budgets are for unemployment certainly to continue to remain low by global standards. What we do have to do is what we've said, which is manage the transition in this economy and to work to ensure that all arms of economic policy reflect this change in the economy. And we need to see employment generation growing in other parts of the economy to reflect the fact we'll have less large construction

projects and less investment in the years to come than we've seen to date – because, of course, we've lived through the biggest investment boom in the nation's history.

MARIUS: Can I go to figures of another kind. A Newspann in *The Australian* today shows Labor 50/50 with the Coalition. Are you surprised by the extent of the poll reversal achieved in two weeks by Kevin Rudd?

WONG: I think you've asked me poll questions on many occasions Marius, and my answer is invariably the same, which is, I don't think it's a good idea for politicians to keep commenting on polls. Certainly I'm the Finance Minister and I can tell you I'm much more occupied by some of the issues you asked me about earlier: what is the best thing for Australia to do as we face the changes in our economy.

BENSON: But if you want to continue to be Finance Minister, you have to be competitive. It must be better from a Labor perspective to be competitive?

WONG: You always want to be competitive, but it's not just about being a Labor person, it's also because you believe that Labor governments are good for the country.

BENSON: Kevin Rudd announced yesterday the rule changes to the ALP to make the position of leader more secure. He wants to stop the revolving door of leadership. Isn't it a bit ironic? I mean, obviously in 2010 he was spun out of that door but two weeks ago he was the beneficiary of spinning the door again.

WONG: I think there are a couple of issues which are very important about this change, which I am very strongly supportive of. One is, and obviously people look to the past, that this hasn't been the best period in our history in terms of our internals and we have to move on from that.

But there's a more important longer-term reason and that's about modernising the Labor Party. My view is we do need to keep moving with the times and changing with the times and our current structures don't reflect that change. I think we need to ensure members of the Party get a greater say. And what we're saying to members and supporters is if you join the Labor Party – if you're a member of the Labor Party – we want you to have a say in, really, one of the most important issues that a political party can determine, and that is who should lead it.

BENSON: You say not the best period for the party internals in recent times. Would you now admit that it was a mistake to knock-off Kevin Rudd in 2010?

WONG: I'm not going to get into commentary about the past Marius. What I would say –

BENSON: But that's what's inspiring the change in the present –

WONG: No, I think what I can say to you is the really overriding driver of this change – and this has been something the Party has been looking at for some years – is, how is it that we modernise the Labor Party? A party that says to its members we want you to have a say. Because I think this is the way to a more vibrant and inclusive party and that's what we want.

BENSON: Penny Wong, thanks again.

WONG: Good to speak with you.

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