

s 22

From: s 22
Sent: Wednesday, 1 March 2023 3:37 PM
To: s 22
Subject: TREASURER - TELEVISION INTERVIEW - TODAY - 1 MARCH 2023 [SEC=OFFICIAL]

OFFICIAL



The Hon Jim Chalmers MP
Treasurer

TRANSCRIPT

E&OE TRANSCRIPT
TELEVISION INTERVIEW
TODAY, NINE
WEDNESDAY, 1 MARCH 2023

SUBJECTS: *Superannuation policy, tax reform.*

KARL STEFANOVIC, HOST: Treasurer, good morning to you.

JIM CHALMERS, TREASURER: Good morning, Karl.

STEFANOVIC: Before the last election you vowed to bring integrity back to politics. How much integrity is there in a broken election promise?

CHALMERS: One of the reasons, Karl, that we made this change to come into effect after the next election is because we wanted to take it to the people and that's what we're doing. We said before the election we wouldn't make major changes to superannuation. This is a modest change. It leaves all the fundamentals of superannuation in place but it makes the superannuation tax concessions a bit more sustainable, it makes the budget a bit more responsible. And that's our responsibility to the Australian people. We inherited a trillion dollars of debt and deficits as far as the eye can see and some of the pressures on the budget are intensifying rather than easing, and so this is about responsible economic management. It's about making a modest but meaningful change to super where 99.5 per cent of people are unaffected. And even for the half a per cent of people with millions of dollars in their superannuation account they can still access tax concessions. They're just a little bit less generous.

STEFANOVIC: My point is you said it wasn't going to happen and now you're saying it is going to happen. That's a broken promise.

CHALMERS: I said there wouldn't be major changes to superannuation and this isn't a major change, it's a modest change.

STEFANOVIC: The PM said there wasn't going to be changes.

CHALMERS: It wasn't something that we are contemplating before the election. In fact, it wasn't something we were contemplating for the October Budget either. But some of the pressures on the budget, including the borrowing costs on that trillion dollars of debt because interest rates are rising, some of those pressures are intensifying. And our responsibility to people is to try and make the right decisions for the right reasons. Sometimes taking the right path is not the path of least resistance. And we take our responsibility seriously enough that we understand that when you make an announcement like we did yesterday, sometimes it does come with a political cost. But our overwhelming responsibility to the Australian people is to try and do the right thing. This is the right thing for superannuation and for the budget.

STEFANOVIC: The political cost is now the trust issue that you're alluding to. Are you going to apologise to the Australian people for breaking an election promise?

CHALMERS: I genuinely don't think that's necessary, Karl. I think the Australian people expect me as Treasurer and the Government more broadly to try and make these difficult decisions and try and get them right. And on the merits of the decision, I don't think anyone, I don't think any objective observer could say that this wasn't the right policy outcome. It does make superannuation a bit more affordable and the budget a bit more responsible. And we need to do that because we've got all this debt in the system that every Australian pays the interest on and we want to try and get on top of things. And part of getting on top of things is recognising we can continue to give these tax concessions, but we can make them a little bit less generous for people who might have tens of millions of dollars in their super account.

STEFANOVIC: With respect, you knew the debt levels. If it was such a good idea, if, as you said, there would be no major changes, why didn't you have the courage to take it to the last election?

CHALMERS: Because we weren't considering it then, Karl. It wasn't on the agenda then and it wasn't on the agenda even into last year in the October Budget that I handed down. But as I keep saying, some of these pressures on the budget are getting harder rather than easier. The budget is getting a little bit better in the near term because we're getting good prices for our commodities and unemployment has got a three in front of it and we're getting the beginnings of wages growth. All of that's good for the budget this year and next year, but after that, whether it's health care or aged care or disabilities or defence spending, but especially the interest costs on that trillion dollars of debt that we inherited from our predecessors, all of these pressures are intensifying on the budget and we can't ignore them. No responsible government can ignore those pressures. That's why the decision that we took and announced yesterday is all about responsible economic management.

STEFANOVIC: You're quite willing to break an election promise if something's not on the agenda, is that what you're saying?

CHALMERS: I'm saying we've always got to try and take the right decision for the right reasons, even when it's difficult.

STEFANOVIC: Okay, so no one feels sorry for the super-rich, I get that. But is the real issue - it won't generate the revenue you hope, and in the meantime you put the fear of God into everyone with a super account?

CHALMERS: I don't think that should be the reaction. 99 and a half percent of people are unaffected. And some people want to argue that the \$2 billion a year that we'll raise from this, roughly when it's up and running properly, is too much, and some people will want to say that it's too little. It is a modest change, but it's a meaningful change, and that couple of billion dollars a year matters at a time when we're trying to get on top of some of these budget pressures.

STEFANOVIC: Okay, what is next thing? Because I don't think you're going to stop here. Trust accounts, capital gains, negative gearing?

CHALMERS: We put out yesterday an assessment from the Treasury of the cost of all of the various tax breaks, but I think we demonstrated in the announcement that we made immediately after all of those numbers were released that our priority and our focus and our intention is in the superannuation system. We believe in super. We created the thing. It's world class, but it's imperfect. And one of its imperfections is that we can't afford to give incredibly generous tax breaks to people who might have \$100 million in super, and so we've made this tweak to the system so that we can make it a little bit more affordable, a bit more responsible. That's our priority when it comes to tax.

STEFANOVIC: It's not an election, a broken election promise. It's a tweak. Any more tweaks coming to trust accounts, capital gains or negative gearing?

CHALMERS: We haven't been working up any options on that.

STEFANOVIC: That could be part of the agenda.

CHALMERS: Well, it's not something we've been considering.

STEFANOVIC: Here's the problem. You said that before about super, and now you're saying that about that, and therefore it erodes your credibility in the electorate.

CHALMERS: Yes, but I'm being upfront with your viewers, Karl, and saying that's not on.

STEFANOVIC: The agenda yet, like superannuation.

CHALMERS: When we look right across the tax concessions in the budget, we think the most important place to act is superannuation. We will always try and take the right decision on behalf of your viewers, Karl. In the economy, none of these decisions are easy. We shouldn't pretend otherwise. But what we announced yesterday, I think, demonstrates first of all by putting it on the other side of the election, but also making sure that it's a modest change even though it's meaningful. All of these reasons, I think, demonstrate our priorities when it comes to tax reform.

STEFANOVIC: Just to clarify, just before we go and let you do another hundred interviews, you're not going to touch trust accounts, capital gains or negative gearing?

CHALMERS: It's not something we've been considering.


STEFANOVIC: Yet.

CHALMERS: Well, it's not something we've been considering. I think by announcing what we will do, that gives people the best understanding of where our priority is. Our priority is this modest but meaningful change in super.

STEFANOVIC: Good to talk to you, Treasurer. Thanks very much. Appreciate it.

CHALMERS: Thanks, Karl.

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From: s 22
Sent: Wednesday, 1 March 2023 2:47 PM
To: s 22
Subject: TREASURER - TELEVISION INTERVIEW - ABC NEWS BREAKFAST - 1 MARCH 2023
[SEC=OFFICIAL]

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The Hon Jim Chalmers MP
Treasurer

TRANSCRIPT

E&OE TRANSCRIPT
TELEVISION INTERVIEW
ABC NEWS BREAKFAST
WEDNESDAY, 1 MARCH 2023

SUBJECTS: *Superannuation policy, tax reform, US Government ban on TikTok.*

MICHAEL ROWLAND, HOST: Treasurer, good morning to you.

JIM CHALMERS, TREASUER: Good morning Michael.

ROWLAND: You only started this conversation about super concessions a week ago. It was a very short chat. Why did Federal Cabinet move so quickly today to bring in these changes?

CHALMERS: We thought it was important to make clear our intention to make this modest but meaningful change to superannuation tax concessions so that we can make super a bit more sustainable and affordable and so that we can make the budget a bit more responsible. We take seriously the fact that we inherited that trillion dollars of debt and deficits as far as the eye can see and intensifying pressures on the budget - and so we need to do something about it. What this change means is that 99 and a half per cent of Australians will be unaffected. For that half a per cent with large superannuation balances, they'll still be able to access generous tax breaks on their super just a bit less generous than before. And as you rightly identify in your introduction, the change doesn't come in until after the next election.

ROWLAND: Okay, so again, it was a short chat, there wasn't much in the way of consultation. Were you worried about the conversation getting away from you?

CHALMERS: Not at all, and I think it was a good thing to be able to give Australians a bit of a sense of the sorts of budget pressures that we're grappling with. We have been talking about them for some time. One of the things I've tried to do as Treasurer is to engage with the Australian people on the pressures on the budget, whether it's the increasing costs of servicing that trillion dollars in debt as interest rates rise, whether it's the NDIS, aged care, health care, defence spending. A lot of these pressures after the next couple of years are intensifying, rather than easing, and so we need to make a structural difference to that budget position. This is a good way to do it, because it leaves almost everybody unaffected. And even those people who will be affected will still be able to access generous tax breaks. And so we think it's a good change, a modest change in the context of all the superannuation tax concessions, but a meaningful and important change.

ROWLAND: You said last night, you prefer to err on the side of frankness, so in that spirit, Treasurer, of being frank, why don't you just say 'yes, we have broken this election promise but we've done so for all these reasons'? But at heart it's at odds with what you and the Prime Minister said you wouldn't do before the election.

CHALMERS: First of all, the change comes in after the next election. I think that is important

ROWLAND: So why not wait? By all means take it to the people at the next election, but not bring it in until say 2026 or 2027?

CHALMERS: It comes in after the next election.

ROWLAND: But you could take it to the voters before the next election and say, for the sake of a year, if you vote us back, we will bring in these changes with a mandate in 2026?

CHALMERS: We are taking it to the voters and the outcome of that election will determine whether we make this modest change or whether Peter Dutton comes after Medicare or finds the money some other way, like the last time that he was in office when he was the Health Minister. That will be one of the choices that people will make at the next election. But in terms of that spirit of frankness, we have been really upfront with people about the sorts of pressures on the budget. We've deliberately made this change after the next election. It's not a major change to the superannuation system, it leaves all the fundamentals in place, everybody can still access generous tax concessions in the system. But we need to be upfront with people about the pressures on the budget, including in those areas that I rattled off a moment ago. A responsible government can't ignore that. And that's why the announcement that we made yesterday is about one thing above all else, and that's responsible economic management, making these tax concessions more sustainable so that superannuation is more affordable and the budget is more responsible.

ROWLAND: In the spirit of frankness, can Australian taxpayers continue to afford losing \$24 billion a year in deductions for landlords?

CHALMERS: Those numbers that we released yesterday - again - governments of both political persuasions are required to release those numbers. And when we released them yesterday, we tried to make them as clear and accessible as possible so that people can understand the various parts of the tax system, including the tax breaks in the system, but I think we made it really clear yesterday that our focus in the system is on these superannuation tax concessions. \$150 billion worth of concessions in the top 10 of those tax breaks by value - that is superannuation. We made it clear that that's what we're focused on.

ROWLAND: Excuse the interruption, it also includes \$24 billion for landlords, pretty much about the same amount for discounted capital gains tax benefits for people selling things like investment properties. In the spirit of frankness, any government concerned about tackling the budget would have to at least consider widening those measures back.

CHALMERS: There are a range of tax concessions in the budget but what we've said is we're focused on superannuation costs and that's why we made the announcement we made.

ROWLAND: Those other measures are off the table, you won't touch deductions, the capital gains tax discount and the like?

CHALMERS: We're not focused on those, Michael. When a government makes a meaningful announcement as we did yesterday, I think that demonstrates our priorities and our values here, which is to deal with some of these tax concessions in superannuation. Inevitably, people will make all kinds of suggestions about other parts of the tax system but we've made our priorities clear by announcing what we announced yesterday, we understand that changes in this area can be controversial. We accept that. But our job is to take the right decisions for the right reasons. Sometimes the right path is not the path of least resistance. We know that the Opposition wants to have a political fight about this. We don't think they should, but we know that they will. And we stand by these changes that we've announced because we think that they're a good policy outcome. They make the system a little bit fairer, without making major changes.

ROWLAND: A couple of very quick questions before we go. Will these changes also apply to the generous politician pensions enjoyed by some politicians and defined benefit schemes enjoyed by public servants?

CHALMERS: Yes, we're trying to include the defined benefit schemes in this. There's a lot of complexity. Again, it's one of the things that we're consulting on. But what we said yesterday is our intention is to include defined benefit. What we said is that there is an opportunity now, between yesterday's announcement and the Budget in May to engage in some meaningful consultation, and one of the things that we do want to engage on and consult on is how we include defined benefit in the changes that we've announced. It's not unusual for governments to do that in 2016, when the Liberals increased taxes on super, they found a way to factor in defined benefit. We've got a similar objective here, and we'll work with the sector to try and get it right.

ROWLAND: Okay, something completely different to finish on overnight, the White House in the States has ordered all federal agencies to wipe TikTok off their phones. It follows similar moves by Canada and the European Union. I know some departments here in Australia have done so already but as a member of the National Security Committee, Treasurer, is it a time for Australia to consider a public service-wide and agency-wide ban on TikTok on devices.

CHALMERS: We'll take the advice of our national security agencies - that hasn't been the advice to date. We're obviously aware of the announcement the Americans made overnight. No doubt our colleagues in the agencies will be considering that and factoring that into their own thinking. But the advice to us hasn't yet changed. I'm not on TikTok, I'm not cool enough to be on TikTok.

ROWLAND: You don't know what you're missing. You're not missing too much.

CHALMERS: If we get that advice, no doubt people will act on it, but we haven't received that advice yet.

ROWLAND: Okay, Treasurer, appreciate your time this morning. Thank you.

CHALMERS: Thanks, Michael.

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From: s 22 @pm.gov.au>
Sent: Wednesday, 1 March 2023 1:53 PM
Subject: JANE HUME ON SKY (LAURA JAYES) - 9:30AM [SEC=OFFICIAL]

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What's so wrong with this change?

- Other than the fact it's a massive broken promise and a breach of faith, where do I begin?
- Before the election Chalmers and AA said there would be no changes to superannuation, they said there would be no changes to taxes other than multinational tax
- They have gone back on that 9 months into government
- Last week Chalmers and AA started a conversation with Australia on the purpose of superannuation
- The purpose in Labor's mind is to tax Australians more
- Australians that have relied on a super system, and put more money in

I you look at this tax change, if you have 43 million in your super you can still draw down about \$180,00 thousand a year in retirement, it's still pretty decent isn't it?

- Potentially so but it's not indexed which means that \$3 million today is different to three million in a few years' time
- 80,000 Australians are caught in the net now
- Ask Labor how many Australians that will be caught in their net in 2025
- This has all sorts of potential implications for lots of Australians, not just the first 80,000
- Last week Labor was saying its just 36,000 people not 80,000
- It changes day to day
- It seems rushed
- This morning we saw Chalmers and AA can't agree on whether they will rule out changes to capital gains tax and the family home
- We've seen Stephen Jones come out and talk about the cost of investment properties to the budget
- What else are they going to come after in the name of budget repair that's going to affect every Australian
- They promised no new taxes they've already broken that promise

Perhaps Angus Taylor said it best in 2016, he did make the argument that those that can pay more should as an integrity measure, it's about fairness – what has changed?

- Back then it was about making the superannuation system fairer to paying off your budget with peoples retirement savings
- That change allowed us to allow more people to put more money into super
- People trusted us and now Labor have reneged on that promise
- This is not about making super more sustainable, it's about making the budget more sustainable
- There is a better way of fixing a budget, how about you reign in your spending and stop the spending ambition
- It's become obvious that when Labor run out of money they come after yours, and this time its retirees

Kieran Gilbert asked the PM about the defined benefits scheme for politicians, I don't think that should be changed, but in the sake of fairness is that fair game now?

- It certainly should be
- We know that's just as expensive to the public purse as private savings
- Some of those more generous scheme would see balances in the tens of millions of dollars
- If you're going to challenge those in the private sector, you should challenge those in the public sector
- That includes politicians that will leave office with very large balances

Is this a Coalition policy now? Would you change this of your own volition at the next election? We know the long hours of politicians and public service, is this the quid pro quo you dedicate your life to politics then you get the payoff at the end?

- If you're going to make retrospective changes, and let's be honest this is because it isn't grandfathered, I think what's good for the goose is good for the gander
- Public servants now aren't under that old system, they like politicians now put money into super
- Those in the past that have taken advantage of a very generous system will be on pensions for a very long time
- I'm not sure why the Labor party would exempt public servants but impose that on people that have saved in the private sector with things like a self-managed fund
- That seems profoundly unfair
- If you want a fairer system it should be for all, not just some Australians

If it is legislated this term, and doesn't come into effect until after the next election. What is your commitment today? Will you repeal it?

- We will see what this legislation entails
- We will certainly block and amend it
- We know it will sail through the senate with the help of the Greens and potentially the independents
- I would have thought they would pause for thought because these people are in their electorates and not be blinded by the rhetoric of the government
- This is simply a budget repair measure
- We would hope that rather than legislate this term, and seek a mandate and legislate in their next term
- That's what the coalition did in 2016, they flagged the change, were elected, and implemented the change

If you're so incensed about it, and it's such a bad broken promise then why won't you say today that if re-elected you would reverse this decision?

- I think we would love to do that
- Getting things through a hostile senate is never easy
- This is an easy senate for Labor
- The next senate is unlikely to be friendly to a coalition government
- It would be difficult for us to put that legislation forward
- We don't put legislation up that won't get through

- *FOLLOW*: Really? It's all about the negotiation, what was the whole last term?
- I think if there was a large Greens component we would never get any repeal through
- That's why we want to see it blocked and amended now
- To make sure that it doesn't affect hoe that relied on the system the way it was rather than how Labor would like it to be
- Their purpose of super is to use it as a cash cow to pay for their spending commitments

Should we take that to mean that you will be making policy this term based on what you think can get through the senate?

- We will always make policy based on our principles
- Our principles will always be do no tax where you do not need to
- We will always be the party of lower taxes
- We certainly don't intend to make retrospective changes on peoples retirement savings when they have relied an made decisions on that system in the past
- We want to spend within or means

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s 22

From: s 22 @pm.gov.au>
Sent: Wednesday, 1 March 2023 12:16 PM
To: s 22
Subject: MIDDAY NEWS HEADLINES - WEDNESDAY 1 MARCH 2023 [SEC=OFFICIAL]

OFFICIAL

RN

1. Official figures show that Australia's economy is growing, but at a slower rate because of cost of living
2. The Prime Minister has ruled out making any changes to the Capital Gains Tax exemptions for the family home
3. Head of research at Corelogic says there is a risk of a further fall in house prices as interest rates rise
4. Police have charged a pilot with manslaughter after a fatal crash in Queensland
5. A Canberra man has been found guilty of choking a four year old autistic boy
6. Authorities in Iran are investigating the poisoning of schoolgirls
7. The top prosecutor at ICC is in Ukraine to observe ongoing Russian attacks on civilian infrastructure
8. Britain's coronation throne is getting a makeover ahead of King Charles's coronation later this year

2GB

1. The Australian economy has continued to grow but not as much as forecast
2. Doctors for the NRL and Rugby Australia are facing a parliamentary inquiry into the effects of head injuries
3. Opposition believe Labor is preparing to increase more taxes after making changes to superannuation
4. The court has heard a group came up empty handed after a home invasion that resulted in a death in South West Sydney
5. Prison guards at one of the country's most violent jails says their pay needs to better represent the danger they face
6. A woman has been taken to hospital after crashing her car in Sydney's west
7. There are concerned a new Tourism Australia campaign will be hampered by China's testing requirements

6PR

1. The Federal Opposition believes Labor is preparing to tax the family home after making changes to superannuation
2. Perth's rental crisis is getting worse with median rent prices hitting a record high
3. ANZ is urgently investigating after sensitive documents were found in a skip bin
4. 54 people have died from drowning along the coast this summer

ABC NEWS

TREASURER PRESS CONFERENCE

SKY NEWS

TREASURER PRESS CONFERENCE

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From: s 22 @pm.gov.au>
Sent: Wednesday, 1 March 2023 11:42 AM
Subject: PETER DUTTON PRESS CONFERENCE - 11:11AM [SEC=OFFICIAL]

OFFICIAL

INITIAL REMARKS

- When Labor says there won't be changes before an election how could you believe them
- How could you believe anything the PM or treasurer says
- When they put out this hit list most Australians are going to be affected in one way or the other
- If they think that out of \$150 billion, they will be satisfied with two that is an absurdity
- I would be very worried
- People who work hard for their super enjoy their retirement as a result of their hard work
- If we walk away from that principle which the Labor party has, it provided uncertainty about super
- You can understand why Australians are scratching their head about a PM and treasurer that they can't trust
- Their super is under attack
- This is a government that when they run out of their money they come after yours

Inaudible question on superannuation

- We are committed to supporting Australian taxpayers because they work hard for their money
- We are not going to support a broken promise
- We are not going to be a party to a broken promise
- They went to the election saying there would be no changes to superannuation
- We've now seen the first changes of what I think will be many over the term of this government

Inaudible question on superannuation

- We are dead against it
- We will repeal it
- We're not going to stand by and watch Australians attacked
- There are 88,000
- The figure of \$3 million that is not indexed
- The message it sends to Australians who are next in line when the Labor party needs more money
- Those people know they are next on the hit list
- The uncertainty they are creating around super is unacceptable

One of the big themes of this show is drones your government cancelled the sky guardian program. The sky guardian is an existing drone. Did the Coalition drop the ball on unmanned?

- Not at all
- When you look at the billions we put into different platforms including drones and programs we brought to an end on the advice of the air force because there wasn't a prospect of success with those programs
- It's an appropriate way to guard taxpayers money
- To maximise the impact out of the money we're spending got make sure we have adequate protections
- I hope the government can get their mess sorted out
- When you talk to exhibitors here they are critical of the governments timelines on the DSR
- They want to know when it's going to be resolved
- At the moment defence is not doing anything with them
- I don't think we're living in an environment where you can lose months because of government inaction

Inaudible question on foreign investment

- When we were in government we changed the foreign investment rules
- We want foreign investment in our country, but we want it in our national interest
- Frydenberg as treasurer made decisions in relation to a number of projects that didn't proceed
- That was made on advise from agencies such as treasury, ASIO and ASISI
- Government have to make tough decisions and act in our best interests
- We will support the government when they do that

Inaudible question on superannuation

- The nurses and plumbers are in the Labor party sights
- Look at the hit list Chalmers put out
- He today refused to rule out capital gains being paid by the nurse or the plumber
- Superannuation when you go through the list the concession around capital gains have an impact on companies, and therefore on people with shares or have their super investments in those companies
- Every Australian should be unsettled by what the government is doing at the moment
- The first change will be on higher income Australians, then it will go to the next rung down
- They need to find areas where you have critical mass, large numbers of people to get the billions Labor needs
- Labor always taxes and spends
- If they are going to stop tax cuts, and increase taxes at a time when people are paying more for their ills then they need to explain it

On submarines, you favoured the US option, there's rumours the SSNR the developmental British options might be successful, do you think that would be a mistake and did you believe there might be room in the US production line or that we could invest in the US line to deliver US made submarines?

- I had very frank discussions with Lloyd Austin at the time, my American and British counterparts
- I have respect for the brits who facilitated us in discussions with us
- The US bent over backwards to do what they could in the context of AUKUS negotiations
- It's clear to me if there is a will from the Albanese government that there is many options available to them

- We will wait to see what decision is made
- The advice to me was clear at the time that Rolls Royce didn't have any production capability left, the problem we had with the French design was that it was a new design and as anybody in defence can tell you – going with the first in class makes it difficult
- There are production and design mistakes
- Going with the later models gets it right
- The beauty in my mind of the America model, the Virginia class was that it was a proven design, it gave us interoperability with the Americans
- There will be more US subs in the Indo-pacific then there will be British
- It made more sense to be given the ability of the American to scale up quickly, the desire from an industry perspective to do that, it still allows us the potential to build here too
- It worry that if the government has taken the decision to go for a cheaper design it will delay the delivery of those submarines
- With the Virginia class I thought we could bring them on this decade
- I made that point on a number of occasions
- I still believe it's the case

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From: s 22 @pm.gov.au>
Sent: Wednesday, 1 March 2023 9:11 AM
Subject: ANGUS TAYLOR ON SKY (PETER STEFANOVIC) - 8:38AM [SEC=OFFICIAL]

OFFICIAL

You had Labor's argument in 2016, so why is it different now?

- They are breaking an election promise
- They are legislating it in this term
- This is a super-sized election promise
- It was unambiguous from the PM they weren't going to make changes to super
- This is a trifecta – he promised lower electricity rice, cheaper mortgages, and now to change super and he has walked away from them
- We way \$150 billion in tax increase opportunities laid out by the government yesterday
- The treasurer has refused to rule out a capital gains tax an taxing the family home

On the point in 2016, even though it was an election promise you made, the argument was still there, people should pay their fair share of tax – you obviously have changed your view, what made you change your position?

- That's a different policy
- The more important point is that this is a broken promise
- *FOLLOW:* I get that, but going back to what you said, what's behind you changing your view
- Labor's breaking an election promise
- *FOLLOW:* I know you want to move it on because its awkward, but what made you change your view?
- I'll talk about it all day
- Labor is breaking an election promise
- Albanese said my word is my bond
- The PM is walking away from his word before the election
- He thinks what he said before an election no longer matters

The point you were making in 2016 was the uber rich should be able to pay their fair share of tax like everyone else is, so why don't you have that view in 2023?

- I have the view that the government shouldn't break election promises
- I would have thought the media and the press gallery would think that's important too
- *FOLLOW:* I put that to Jim Chalmers
- Can I come back to another point you made?
- Labor's saying this won't affect many Australian's
- That is deeply misleading
- The treasurer has done something tricky here and said that this threshold won't be indexed
- We have inflation running hot in this country, that means the threshold will come down quickly and dramatically
- They haven't laid out how it will affect those on defined benefits such as veterans and the PM himself
- The impact will be much broader and a bigger attack on middle Australia than they are saying
- The reason this is important is we invest over ay decades in super

- The values of peoples accounts changes greatly
- The value of the threshold will change greatly
- Labor needs to be upfront with the Australian people about how may it will affect

Did you truly believe what you were saying in 2016?

- Of course I did
- *FOLLOW:* why don't you believe that now?
- Government should keep election commitments
- That went to an election
- It was a hard fought election
- This is not going to an election
- Labor is proposing to legislate this in this term
- *FOLLOW:* So you will fight the government on this at the next election
- We will fight this going through the parliament
- We will make the point at AA and the government can't be trusted
- Not only have they broken the trifecta of election promises but they've given us a range of surprises – industry wide bargaining
- This is a PM and government that says one thing and does another

Why take on something so fiercely that only affects the super wealthy and such a small percentage of the population?

- It doesn't affect such a small percentage
- *FOLLOW:* 80,000 is a small section
- Einstein said there's no forces more powerful in life than compounding – and you will see compounding
- *FOLLOW:* it's still small
- Let's see
- The government needs to be upfront about how may will be affected over time
- There are people in their 20s and 30s investing now for their retirement
- With an economy where inflation is running hot and a government that doesn't know how to get it under control
- It's clear that threshold will be lower and impact many more Australians

If you win the next election you will fight to roll it back, promise to roll it back?

- We will take our policies to the next election
- *FOLLOW:* if you're fighting so fiercely now, does that mean you're going to roll it back
- We will take our policies to the next election and you will know about it in good time
- This is not about the next election, this is another misleading Labor assertion

I put these question to Chalmers earlier, and he denies there's going to be taxes on capital gains and the family home, trusts and negative gearing – what makes you so sure that there's going to movement in that space?

- He needs to rule it out unambiguously
- The PM refused to rule out taxing negative gearing
- They need to get on the same page

- Are they going to rule out taxing the family home, taxing negative gearing, the \$150 billion of tax options they released yesterday ?
- The sad reality is even if they do rule them out it's not clear that this government can be trusted when it comes to tax
- AA said my word is my bond, it's a pretty weak bond
- His word seems to be worth nothing
- He is walking away from critical election promises he made
- These things don't matter to Labor once they won
- But it matters to the Australian people

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s 22

From: s 22 @pm.gov.au>
Sent: Wednesday, 1 March 2023 8:45 AM
Subject: NAGUS TAYLOR ON ABC NEWS BREAKFAST (MICHAEL ROWLAND) - 8:04AM
[SEC=OFFICIAL]

OFFICIAL

What's wrong with voters getting to say yay or nay at the next election?

- They won't because the legislation is proposed to be put through in this term
- This is a supersized broken election promise
- Its clear Labor committed they wouldn't make changes to superannuation taxation before the last election and now they've changed that
- They are going to put the legislation through in this term
- If they were serious about putting it to an election they would wait until after the next election
- This is a breach of trust
- The PM was unambiguous saying there wouldn't be changes to taxation on superannuation
- They put out their tax expenditure statement yesterday
- This is talking about \$100 billion of taxes that could be up for grabs – including a tax on the family home
- If Labor can't be trusted on superannuation tax, how can we trust them on these other taxes
- The Treasurer today has refused to rule out taxation on capital gains and taxing the family home

The PM has just ruled out on capital gains and the family home. On election promises aren't you being hypocritical there because I went to the 2013 liberal party election manifesto and I didn't see any references to the super changes the coalition government brought in in 2016

- The fact of the matter is before this election AA made an unambiguous statement
- *FOLLOW:* I want to raise with the you the potential of double standards, the coalition government under Turnbull brought in a heap of changes in the 2016 budget, \$1.6 million cap on tax concessions, winding back contribution limits, none of that was foreshadowed to voters
- They were taken to the 2016 election and legislated after the election
- Labor's not proposing to do that, they are proposing to legislate that now in this term of parliament
- If they were serious about taking it to an election they wouldn't legislate before the election
- It's very clear the PM made an unambiguous statement on this
- He cannot be trusted
- The treasurer hasn't rule out taxing the family hone
- *FOLLOW:* The PM on RN this morning has just explicitly done that
- The treasurer hasn't done that
- *FOLLOW:* well the prime minister wears the stripes
- What is clear is that neither the PM or treasurer ruled out taxing negative gearing
- There's a big menu of taxes they laid out yesterday

Does the coalition favour winding back negative gearing concessions?

- No

- We've been clear about this
- We had an election campaign over this in 2019
- Labor wants to bring back that 2019 agenda
- You said the PM ruled out taxing the family home
- Well he ruled out taxing superannuation as well
- It's clear that Labor doesn't keep its commitments and promises
- I don't think we can trust the PM on claiming he isn't going to tax the family home

Do you support the super changes?

- No
- I've been clear about this
- This is a super-sized broken promise

So if the Coalition wins the next election they would repeal this legislation?

- We haven't got to that point
- *FOLLOW:* so you oppose the changes but doesn't one follow the other, that in doing so and opposing the changes the coalition government would appeal the legislation?
- We're going to oppose it in this term of parliament
- They are proposing to legislate this change in this term
- The idea that this will only affect 80,000 Australian's is baloney – why? Because inflation is running hot and the threshold is not indexed
- We will see that threshold dropping and affecting many more Australians
- The treasurer knows what he's doing and wants to impact many more Australians
- The government should be honest about how many Australians would be affected in a high inflation environment as this threshold falls
- This is a very dishonest initiative

To be clear, a coalition government would keep in place this legislation?

- I'm responsible for this term of parliament
- And we will oppose this in this term
- *FOLLOW:* so not necessarily repeal the legislation if you were to win, so you keep those changes based on that?
- We haven't got to that point yet
- This is the point about Labor's dishonesty
- They are putting it through in this term
- *FOLLOW:* but aren't you saying the changes you would see them affect so many more people, they would be affective if you were to win and kept this legislation in place?
- We will talk about our election commitments for the next term of parliament as we approach the next election
- We will oppose this in this term of parliament
- This is an attack on middle Australia
- We will see those thresholds drop
- Australians watching this should think they are immune from this – because of inflation, its bracket creep – it will be very rapid

How do you square what you said this morning with what you said in 2016

- It wasn't a broken election promise
- *FOLLOW*: why have you changed your views from 2016, to 2023
- I haven't changed my view
- The government shouldn't say one thing before the election and do something different afterwards
- *FOLLOW*: I'm asking you about your view – you said something in 2016, now something completely at odds with that today
- Are you suggesting election promises don't matter?
- *FOLLOW*: I'm saying why did you in 2016 say people who contributed millions shouldn't get that 15% concessions rate
- That was taken to an election
- This is a broken election promise
- Trust with the Australian people, particularly with superannuation, they have to trust the regime
- To say one thing before an election and something different afterwards is highly dishonest and a breach of trust
- That wasn't the case in 2016

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