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Subject/s: Private sector experience of the Labor Ministry

RAY HADLEY: Now we have had a call from the Opposition, Paul Fletcher, the Manager of Opposition Business in the House, Shadow Minister for Government service and Digital Economy has done a bit of homework, but it makes me happy because I'm not going to do it myself. Now, he's (Chris Bowen) one of many people with no experience in the private sector, and Paul Fletcher joins us from Canberra studio now to talk about who else in government making very important decisions on the eve of the budget. Of course, that has no experience in the private sector now. Paul Fletcher, g'day.

PAUL FLETCHER: Good to be with you Ray.

HADLEY: Now, in cabinet we have 24 members, of the 24, 12 have private sector experience of more than one year, and four have less than one year, but 12 have had no private sector experience whatsoever.

FLETCHER: Yeah, so there's you're absolutely right. There's 24 people in the cabinet and we've had a look at what their private sector experiences and in total there's twelve of them have had either no private sector experience or the total private sector experience is one year or less. So if we have a look at the Treasurer Jim Chalmers is making very important decisions that will affect millions of Australians. His career has been almost entirely as a political official. As a Labor staffer, he had one year in a private PR business in 2007. Other than that, what he's reported is everything has been as a research officer in government, research manager for the Labor Party, and of course a political staffer for many years. Similarly, Katie Gallagher, who's the Finance Minister, also making those very important decisions, she was a community worker, she's been in the ACT Legislative Assembly. She's reported no private sector experience. Now, many of your listeners will be small business people who know the stress of are we going to get sufficient sales this week so I can pay my staff? And very often it's the business owner who's going short so that the staff get paid. Or, your listeners might be in the building business, where, of course the cost of things like our wood and other inputs is going up very significantly, and we're hearing that all around the country. And yet the people are making these decisions. Have no experience of that. They've never had to worry about are we going to generate enough sales? Do I have a product that my customers will be interested in buying? Can I continue to employ staff? And that is a real

worry. Now they've got plenty of experiences, union officials, but you know less than 10% of people working in the private sector in Australia are members of unions, and so there's very little experience of business, including small business and frankly far too little experience in the private sector given the critical decisions these people are making.

HADLEY: Now the 24 members in cabinet that you've identified, 22 are former union officials or staffers. And then, if we go to the outer ministry and assistant ministers, we total 42, of the 42, 19 have no private sector experience and of the 42, 36 are former union officials and staffers.

FLETCHER: That's right, so there are 19 who've had either no private sector experience at all or at most they've had one year of private sector experience. But of that 42, 36 of them have been either union officials or political staffers. So that come from a narrow range of backgrounds. That's the problem. But the bigger problem is our economy is overwhelmingly the private sector. Its people buying and selling goods and services to and from each other, and if you're in business, you know that unless you've come up with a product or a service that your customers want to buy you don't stay in business very long and it can be tough going, but it's so important. Generates lots of jobs, generates prosperity. And yet, to have the people are making the overall decisions about our economy, having very little experience of participating in the private sector. Never had to put together sales budgets or meet sales targets. Never had to worry about whether they're going to earn enough money where the sales will be enough this week to keep employing their staff. That's a really big problem.

HADLEY: Now the one I've targeted and keep targeting is Chris Bowen and he comes from South-Western Sydney, went to Smithfield Public, went to St Johns Park High, went to the University of Sydney, graduated with a Bachelor of Economics in 1994, and then of course became, I think, from memory the youngest ever Mayor of Fairfield in 1998 or thereabout, having been on the Council for 1995, then was a staffer of various people. I think Janice Crosio, well he replaced Janice Crosio, in 2004, he has been there ever since. So again, here's a bloke that's gone from primary school, high school, university straight onto the public service team.

FLETCHER: It's a very good example and your exactly right that that was his background. He did have five years as an industrial officer for the Finance Service Union, but as you say Council or worked for Labor MP then in Parliament quite a long time, has not had that private sector experience, and yet this is the bloke who's making decisions about investments that will have to be made by power companies and others in the energy sector without ever having had the experience of working in that sector. I have to say as a former Minister for Communications, it reminds me very much of the NBN, where Labor came up with a plan for broadband. None of them had experience in the private sector in telecommunications, and it was a real mess when we came to govern in 2013. They'd spend \$6 billion, just over 50,000 premises were actually connected. We have turned it around. There are now 8.4 million premises connected, but my point is that lack of private sector experience. That was a huge mess when it came to the NBN, and now we've got Chris Bowen with no private sector experience waving his magic wand and saying this is what's going to happen to the power sector. Well, what are the details and what experience does he bring to bear then?

HADLEY: Well, I think that the experience would be turning a light switch off and on and hoping it works and not having to change the globe. I appreciate your time we'll talk again soon thanks Paul Fletcher, Manager of Opposition Business in the House, Shadow Minister for his Government Services.

FLETCHER: Thanks Ray.

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