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Interview with Peter Stefanovic, First Edition, Sky News

Subjects: Labour force data; JobKeeper payment; G20 leaders meeting; Aviation industry; Schools

PETER STEFANOVIC:

Let's get some more on this now, we're joined by the Treasurer Josh Frydenberg in Canberra. Treasurer thanks for your time, good morning to you. So how grim do you expect those figures to be today?

JOSH FRYDENBERG:

Nice to be with you. Well I think you summed it up pretty well there, Pete. We're going to see an uptick in the unemployment rate, which is not unexpected, but we won't see the full effect of the impact of the coronavirus just yet. Treasury's forecast is for unemployment to reach 10 per cent, but for the JobKeeper package it would have been 15 per cent. You have to recognise that when we went into this economic crisis we did so from a position of economic strength. In February we saw the unemployment rate fall to 5.1 per cent. And in the back half of last year, economic growth was rising. So Australia has been prepared for the crisis, both on the health side and on the economic side, but the full impacts have yet to be seen in the data.

PETER STEFANOVIC:

You spoke to G20 leaders last night Treasurer. What came out of it?

JOSH FRYDENBERG:

Well we agreed to continue our coordination on the fiscal side, on monetary policy as well as in terms of the health response. And Pete what that's seen already is about \$8 trillion worth of stimulus measures from countries around the globe and a synchronised approach from central banks which has helped us stabilise the debt, the credit and the equity markets. But what was also discussed on last night's called was the increased needs and demands from the less developed economies. We've seen over 100 countries go to the IMF for help. The International Monetary Fund has about a trillion dollars in its lending capacity and there's going to be a real call on that lending capacity in the weeks and months ahead.

PETER STEFANOVIC:

Treasurer, this deal that the Government is working on, another deal to help out Virgin and Qantas, when do you expect that to be finalised?

JOSH FRYDENBERG:

Look we've been very consistent in our messaging, which is that we want two airlines to remain here in Australia, I think that's served us well. But we're not in the business of owning an airline. Paul Keating got rid of Qantas back in 1993, 27 years ago. We want to see those airlines supported and that's why we have provided industry wide packages of relief, over a billion dollars to date. And of course Virgin has a number of significant shareholders Pete. It's got Etihad, it's got Singapore airlines, it's got Virgin...

PETER STEFANOVIC:

So why should we help them if some of their owners are worth hundreds of billions of dollars?

JOSH FRYDENBERG:

Well they're no doubt the discussions that the company itself is having with some of its bigger shareholders right now.

PETER STEFANOVIC:

Just on to a health matter, Treasurer, a Victorian health matter, I just want to get your thoughts on this. The Victorian Chief Health Officer said last night that 'my advice to the Victorian Government was and continues to be, that to slow the spread of coronavirus, schools should undertake remote learning from term two'. This is very different from the advice coming from the Federal Government. So do you blame parents for being confused at the moment?

JOSH FRYDENBERG:

Well the National Cabinet takes its advice from that centralised body of Chief Medical Officers of which State Chief Medical Officers are represented, and so too Brendan Murphy who is the Federal Government's Chief Medical Officer, and the medical advice is clear, kids can still go to school. And we need to ensure that children continue with their learning whether it's remotely and online or whether it's in the classroom. And as you know Pete, there are thousands and thousands of essential workers out there who are on the front line in terms of our health response for example, who can't look after their kids at home but need to turn up at work to save lives. Now in those cases it's really important that our schools remain open and continue to provide that educational service to their children.

PETER STEFANOVIC:

Just finally Treasurer, details have leaked about Malcom Turnbull's book that comes out Monday. He's called the Prime Minister a 'Machiavellian plotter who could not be trusted'. What do you make of that?

JOSH FRYDENBERG:

Look I'm not going to go into the entrails of the past Pete, I'm focused on the future. We're dealing with a global pandemic right now, the scale of which this country has never seen. And it's required a full court press from Government's Federal and State, from Industry big and small, and of course from the community as they adhere to the social distancing, isolation and quarantine restrictions that are in place. That's my focus, that's the Prime Minister's focus. So I'll leave that commentary to others like you.

PETER STEFANOVIC:

Are you going to read the book? Are you intrigued about what's in it?

JOSH FRYDENBERG:

When I get a second, I'll start reading books again, but I haven't had much time to do that of late. Everything that I've done right now has been applied reading, focusing on Cabinet briefs and Treasury briefs and meeting after meeting because as you can appreciate it's been a pretty hard slog the last few weeks.

PETER STEFANOVIC:

But Malcolm Turnbull's book is not on your agenda at the moment?

JOSH FRYDENBERG:

Well no, I'm sure lots of people will read it and no doubt it will be on my shelves but as for my priorities right now it's about the job at hand which is saving lives and livelihoods.

PETER STEFANOVIC:

Fair enough. Treasurer Josh Frydenberg, appreciate your time this morning, thanks for joining us.

JOSH FRYDENBERG:

Good to be with you.