 Transcript, E&OE  
13 July 2016  

KIM LANDERS The Australian Government has called on the Philippines and China to abide by the ruling, the Foreign Minister Julie Bishop joins me on the line now. Minister good morning.

JULIE BISHOP Good morning.

KIM LANDERS China's President Xi Jinping has already denounced this ruling so what is it that Australia wants China to do?

JULIE BISHOP Well this is an important decision of international law, it's also an important test case for how the region can manage disputes peacefully. We call on both the Philippines and China to respect the ruling, to abide by it. It is final and legally binding on both of them and they are both parties to the UN Convention of the Law of the Sea, and we hope that all claimants take this opportunity to negotiate peacefully, based on the greater clarity of their maritime rights that this decision delivers and bring their claims into line with international law.

KIM LANDERS So do you want China to stop the reclamation work, for example, to stop building military installations in the South China Sea?

JULIE BISHOP Yes of course, Australia has been calling on China for some time to halt reclamation work and not to militarise its structures and we certainly urge all parties to take steps to ease tensions, to refrain from provocative actions that would escalate tensions and lead to greater uncertainty, and we call on both China and Philippines to abide by this ruling.

KIM LANDERS But if China's not going to honour it and it can't actually be enforced how does the international community ensure that relations between China and its South East Asian neighbours don't deteriorate?

JULIE BISHOP Well this treaty, the Law of the Sea, codifies pre-existing international custom. It's a foundation to maritime trade and commerce globally and so to ignore it would be a serious international transgression. There would be strong reputational costs. China seeks to be a regional and global leader and requires friendly relations with its neighbours - that's crucial to its rise. So we call on China and the Philippines and other claimants - because there are competing and overlapping claims, not only China and the Philippines but also Vietnam and Brunei, Taiwan, Malaysia have claims. It's a very busy trade and maritime route, it's very rich in oil and gas deposits and fish stocks and it's necessary for all of the claimants to negotiate peacefully to ensure that there aren't tensions or miscalculations or misjudgements.

KIM LANDERS Have you spoken to your counterparts in China or the Philippines or indeed the United States about this ruling?

JULIE BISHOP No I haven't. The decision came down late last night and I put out a statement at about 11pm East Coast Time and I'm on my way to the Australian Embassy in China this morning. We certainly exercise our right of freedom of navigation, freedom of overflight. We've already been doing that, we'll continue to do it.

KIM LANDERS Will Australia now carry out freedom of navigation patrols within the 12 nautical mile zone of China's reclaimed structures?

JULIE BISHOP Well as we've done for many decades, Australian ships and aircraft will continue to exercise rights under international laws of freedom of navigation and overflight. We've already been doing that, we'll continue to do it.

KIM LANDERS But within that 12 nautical mile zone though?

JULIE BISHOP Well I won't comment on the specific details of what our Australian Defence Force activities are, but we certainly exercise the right of freedom of navigation, freedom of overflight.

KIM LANDERS Is Australia prepared for any sort of military confrontation between some of these powers in the South China Sea?

JULIE BISHOP Australia's position is that these matters should be negotiated peacefully and that we should be working to de-escalate tensions, not increase them.

KIM LANDERS If I could ask you about a sort of a related case, there is a long-running dispute between Australia and East Timor over maritime borders. East Timor has taken that to the UN; will Australia respect the ruling from that international body?

JULIE BISHOP Of course Australia participates in arbitrations against us. We accept the outcomes are binding, as we accept that the finding in the Philippines arbitration case is final and legally binding on both China and the Philippines. Our emphasis on the importance of the rule of law is consistent with our dealings with Timor Leste, and just as we call on the South China Sea claimants to resolve their disputes peacefully, that's what Australia and Timor Leste did in entering into binding treaties to manage our overlapping claims in the Timor Sea. So it's entirely consistent with our conduct in the Timor Sea.

KIM LANDERS If I could turn to domestic matters, how often did you warn the Prime Minister that Coalition MPs and candidates were worried about a voter backlash against the superannuation policy?

JULIE BISHOP Well my job as Deputy Leader is to inform our leadership team of feedback from members, from the local communities, from the public. I made about 80 electorate visits throughout the campaign, and it would be unrealistic to think that I wasn't passing on the views on a range of issues...

KIM LANDERS So you're saying dozens of times? Up to 80 times?

JULIE BISHOP No [laughs]. I said I made 80 electorate visits, so of course I received a lot of feedback on a whole range of issues, but I'm
not going into details of my conversations with the Prime Minister and the leadership team. But I pass on feedback from the public whether it's positive or negative. That's my role.

KIM LANDERS  Will the Government be making any changes to the superannuation policy that it took to the election?

JULIE BISHOP  I expect that the legislation as proposed in the Budget will be presented to the House and the Senate.

KIM LANDERS  There are reports today that some Liberal MPs are trying to come up with alternative policies, do you know anything about that?

JULIE BISHOP  No, I've not been involved in any discussions on such a matter.

KIM LANDERS  It's been a little over a week since the Prime Minister conceded that the Coalition had provided some fertile ground for Labor's Medicare scare campaign, do you think there'll be a change for example to the freeze on the Medicare rebate for GPs?

JULIE BISHOP  I expect that the legislation, the policies that we announced in the Budget and the election promises and policies that we took to the public during the campaign will be honoured and we will live up to our promises. That's my expectation.

KIM LANDERS  Are you concerned that there are suggestions being floated in the media that you leave the Foreign Affairs portfolio and move to a high profile domestic portfolio?

JULIE BISHOP  I'm not concerned by reports in the media, no.

KIM LANDERS  Will you be moving?

JULIE BISHOP  I hope to continue as the Minister for Foreign Affairs. I have a lot of work to do in this role. I hope to be attending the ASEAN Regional Forum and the East Asia Summit shortly to discuss matters of considerable importance to Australia's national interest, including the resolution of the South China Sea claims.

KIM LANDERS  Foreign Minister, thank you very much for your time this morning.

JULIE BISHOP  My pleasure.

KIM LANDERS  That is the Foreign Minister Julie Bishop.

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