



**Transcript – Innes Willox with Ross Greenwood, Sky News *The Business*, discussing Treasurer Jim Chalmers' economic reform roundtable.**

**23 July, 2025**

**Presenter:** Innes Willox, Chief Executive of the Australian Industry Group, joins us, and it's always good to chat to you. This is the big question right now, as to whether the Government's path is narrow and refers only to what they promise pre-election, or whether with such a big majority now, it's got a much bigger reform agenda in front of it.

**Willox:** Well, Ross, you'd hope with this Productivity Roundtable or economic meeting, that the Government is looking beyond just what they promised at the election. This is an opportunity for the Government to not maybe get consensus, but to get clear understandings around the big challenges that we face around productivity and investment and all the things that go into that. This is sort of like a legacy moment, a watershed moment, not only for the Government, but also for the country, because we have one chance here to turn the ship around and start to get things heading in the right direction. And the meeting next month is the launch pad for that. I don't think it'll be a one off, but I think it really has the potential if everyone plays it properly to start to move some conversations in a better direction than what we've seen, because what we've seen over the past 18 months is a clear rise in government spending, a clear rise in government employment to the detriment of the economy as a whole, and to the detriment of our national productivity and our national wealth.

**Presenter:** In many ways, if you look back, you could say the first term of the Albanese government was really about social reform, in childcare, in training, probably also, you could see in the aged care sector, in the healthcare sector. The question is whether it is prepared to take on economic reform, which goes against almost the left wing style of the Albanese government, and that is to cut taxes, to cut red tape, and to allow business to flourish and to replace the government-driven demand.

**Willox:** Well, it's almost as if from talking to government and listening to their rhetoric, to at least some members of them, they've had some sort of epiphany that where they were heading during the last term, isn't going to work going forward. What got us here won't get us there? And, you know, there's the big book in Canberra that everyone is reading: this

book called Abundance. And when you strip it back, it's a recognition by governments that like to spend that, you know, overall, not just this government, but governments have indulged in process over outcomes, dollars over delivery and complexity over certainty. And we need to turn all of that around so that we get government focussed on the things that matter. Government in many ways, whether business likes it or not, is a partner of business, but it's a partner that has to act in the interests of business as well. And if they don't, we're just going to continue to see a decline in living standards. And, you know, businesses, Ross, don't march on the street. They just quietly slide away and they stop investing. In many ways, this roundtable, what it really is at its core is an investment roundtable, how to encourage business to invest again in Australia and how to give individual households the confidence to invest themselves, because that's what's lacking at the moment. Because the reality is that Australia's economy right now is growing at sub-par conditions. I think, annually it's only at 0.8%. It was 0.2% last quarter. It generally grows around about 3%. And so, as a result, if you want to repair the budget, if you want to actually get more demand and more options to pay for things, you get the economy going again, but you don't do that unless the economy is competitive, which clearly it's not right now.

It's growing at a snail's pace. It's barely got a pulse, the economy. And what we need to do is to fix some of the fundamental settings to get it moving again at a pace, to get the private sector moving again. Over the past 18 months, we've seen 80% of the jobs that have been created have been government jobs or government-funded jobs. Traditionally, it's the other way around. It's 80% of jobs are created by the private sector. So you've seen the private sector shedding jobs very quickly. And that's why unemployment's gone up to 4.3%, quite suddenly. So we all know, and this has been coming for a long time, that the model of government sort of, you know, stoking the fires is not productive and it's not going to get us there. So this is why we need to focus on tax, on deregulation, on energy, on planning, planning approvals, and skills and training, those sort of things that, you know, maybe now, with some quick wins, we can start to push ahead. And over the longer term, that will turn us into a more productive, outward looking, confident economy.

**Presenter:** And we can only hope that the Government also recognises and understands that as well. Many thanks for your time today.