



Transcript – Innes Willox with Sky News’s Tom Connell on economic reform roundtable

Presenter: Joining us is Australian Industry Group Chief Executive Innes Willox. I’ll borrow the words from Danielle Wood today: should we be going into the meeting with a growth mindset?

Willox: Well, we all hope so, Tom. That's what we're here for, because what got us here is not going to get us there. It's not going to improve living standards for Australians. It's not going to increase the investment in business. It's not going to increase competitiveness for the country. It's not going to lead to more jobs. So, we do need to change course. I think the Government has recognised that in pulling this together. So, there's no signs of that. But we'll see how the three days play out – there's a whole lot of ground to cover.

Presenter: Obviously the media is sort of like, give us a camera and I want to film everything, but it's in the Cabinet room, no phones. Does that lend itself, do you think, to genuine discussion – you’ll be across the table from unions. There's no cameras, no one has to play anything up. Is that the best format?

Willox: Well, look, we're all in the room together and we're not getting out until something's resolved basically. But in all seriousness, this is an opportunity for everyone to put their cards on the table. If we do want a more productive Australia, and this was originally called the ‘Productivity Summit’, if we do want a more productive Australia, we have to make some significant changes. Now, we're also looking ahead, and it's pleasing that the opposition is in the room as well. So, hopefully we'll get some consistency going forward.

Presenter: We hear a lot around red tape. I guess a lot of individuals have encountered this, haven't they? If you don't have a business, putting in any sort of permit or you might be making, you know, a small renovation to your house, it is mind blowing around that. So, we have heard for endless years of red tape – the Abbott government spoke about how many regulations they got rid of – and yet nothing seems to be simpler. What's happening there? Is it just for every bit that's removed, 15 are quietly added or whatever it might be, and why is that happening, do you think?

Willox: Well, Australia has become over the past decade or more, a more complex, convoluted, slow system for all Australians to operate under. It's confusing, it's annoying – when you think about the story of the cafe in Melbourne needing nearly 40 permits to operate, you imagine if you're trying to run a piece of critical infrastructure like a pipeline or build a factory? That's just a nightmare for business, and what we need to do is to simplify our regulatory environment. We need to strip away the duplication between federal government and state. If you're operating as a national business, you're paying over 100 different taxes, charges and levies. We need to simplify that. So, the message we want out of this summit for three days is one of simplification to make it easier to do business, to strip away the complexity, to not focus on process, but to focus on outcomes. That is key. And that will be a benefit.

Presenter: It's part of that issue, whatever it might be, so that cafe or somebody putting a pool in or a granny flat, that any time there's a change made, it's sort of like, can we remove, you know, this one bit of red tape and everybody looks at it? And the issue is, there are so many there already, you'd almost like to start from scratch, but no one's willing to do that.

Willox: Instead of saying what's out, you tell me what's in. What do we need to do? This is exactly right. So, we have just layer upon layer upon layer of regulation and complexity, and when something's gone in, nothing else has ever been taken out. So, we have the simple proposition that you need to go through more hoops to get something simple done. We're talking about the National Construction Code and the Government has indicated they want to freeze it. We think go one step further: blow it up and start again. Start again.

Presenter: Are they willing to do that? You'll say, start with zero, maybe it'll take a while to do this, it's not an overnight exercise. And does that change the whole perspective? Cause rather than saying, "tell me why we should remove this?" You say, "no, tell me why it should be in."

Willox: And that's the game changer, absolutely. And we've just allowed sort of bureaucracy and compliance and regulation to become a nightmare. For business and for households, and we need to stop it.

Presenter: Quickly on IR, are you just hoping no further changes for all the talk of work from home? It's interesting to hear the Productivity Commission basically says, look, it's sort of working okay as it is. Are You comfortable with that at the moment?

Willox: Yeah, the hybrid workplace is here to stay, for those who can do it, as long as it's done on the understanding that it meets the needs of the business. So, if the business says, "Sorry, we need you in for next Tuesday or Wednesday, because we are doing A, B C;

or four days, everyone agrees. Different businesses are coming to different solutions. By and large it is being worked through, and this is why proposals to legislate or to regulate...

Presenter Like Victoria, for example?

Wilcox: Yeah, like Victoria. It's just nonsense. There's no need for it. They don't have the power to do it, and it's divisive. So that sort of proposal, you know, going to four day weeks rather than five, that's just mindless nonsense.