



Transcript: Innes Willox with Sky News's Ross Greenwood on the Economic Reform Roundtable

Presenter: Chief Executive of the Australian Industry Group, Innes Willox joins me now from Parliament House. Many thanks for your time. It's obviously been pretty busy. There's headlines this afternoon about unions suggesting employers should pay an extra levy to pay for the training of staff, which was pretty quickly rejected. That would have been a little feisty, I'd imagine.

Willox: Oh, nothing's feisty in there. Everyone's trying to work through a whole range of different issues and a different range of propositions. You know, the proposal from the union movement to put another levy on employers, a 1.5% levy on employers with the turnover of over \$500,000 was put forward. The point was made that that would impact about 71,000 Australian businesses, it would mean that companies had a total payroll of about \$300 billion and it would mean that it would raise about \$4.5 billion, which companies theoretically would have to spend on training. But we've done a training levy before in Australia, between 1990 and 1996 and it didn't work, it distorted the market. The Productivity Commissioner said it's distortionary and it also adds to compliance costs. What it would mean is that businesses would have to spend that on some sort of training, but it's not clear what it would be, and it wouldn't necessarily have to be directly about their business. So I think, you know, employers in the room pretty firmly rejected it. Where they've gone and where employers have gone, Ross, is to say, actually, the apprentice system, as it now stands, is at real risk, because at the end of this year, incentives for employers to hire apprentices run out, and if that does so, the system is at real risk of falling over. But it's a lot of good conversation there, Ross, around training and skills, because it was recognised that if we don't get training and skills right, then we're not going to have the people to have the productive economy of the future, that we're all in the room working towards.

Presenter: Well, I want to get to that whole issue: having spoken to Meg O'Neill, the chief executive of Woodside this afternoon, she said, look, we have choices of where we invest. We're investing in Mexico. We're investing in the United States big time. We're investing in Africa. You know, and yes, we're investing in Australia, but we have got choices.

Willox: Well, they do, and that's part of the conversation, is a recognition that capital is mobile, and I think the key message that is emerging from the discussion on all the three subject matters that have come up so far is that we need to think about speed, we need to think about simplicity, we need to think about streamlining. We're too complex, too costly, too cumbersome. And I think that's recognised and it's sort of the universal lament within the room, is that we're too slow to do things, it takes a long time to get regulatory approvals, capital gets tied up for years waiting for approvals, and we've got to be better at it, we've got to be quicker, we've got to think about how we regulate, regulate for growth, as well as for risk. And these are the sort of messages that are working around the room at the moment.

Presenter: As you point out, speed is of the essence right now, in a fast-moving artificial intelligence generative world. I just wonder whether, really, there is a sense of urgency about the need for decision making about what comes from this round table.

Willox: Well, you'd hope so. We started with an introduction from Michele Bullock, the Governor at the Reserve Bank, who really concentrated our minds, around the need to get productivity right. And from that has flowed the conversations we've had, you know, if we don't get it right, then we have missed opportunities and we're economically going backwards, and we didn't start talking about perpetually declining standards of living. We need to fix our processes, we need to fix how we deliver projects, we need to think better about how we spend money and how we raise money. And I think all of this will emerge over the next couple of days. But Ross, I've got to say, from the discussion so far, there's reason for optimism to think that, you know, the people in the room, including the government representatives, the treasurer, get it, and they understand they're after specific examples of where things could be done better and they're emerging.

Presenter: That's great stuff, I tell you what Innes Willox, good to have you on the program today. Many thanks to your time.

Willox: Thanks Ross, take care.