



Australian
Chamber of Commerce
and Industry

TRANSCRIPT

Event: Andrew McKellar interview with Gabriella Power, Sky News NewsDay

Speakers: Andrew McKellar, chief executive Australian Chamber of Commerce and Industry, Gabriella Power, host Sky News NewsDay.

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E&OE

Gabriella Power, host Sky News NewsDay: Joining us live now is the CEO of the Australian Chamber of Commerce, Andrew McKellar. Andrew, thank you for your time. We've seen Victoria move to change isolation rules for more workers today. Do you welcome this?

Andrew McKellar, chief executive Australian Chamber of Commerce and Industry: Well, I think at the moment, what we are facing is really one of the most severe pressure points for the economy so it is very important that governments do look to respond here, they do look to increase the ability of business to address these very severe labour shortages as a result of the close contact measures. We've seen what Victoria has announced this morning. I have to say, I don't think this goes far enough. There are many sectors in the economy which are facing these pressures at the moment in retail, in hospitality, restaurants, and catering. All of these areas where there are severe pressures, it doesn't look like they're on the list at the moment. If that's the case, then I fear that we're going to be back again next week revisiting this, looking to make further changes. So I am concerned just on what I've seen initially in the reports out of Victoria.

Gabriella: What would you like to see come out of National Cabinet today? Those sectors that you've just listed have isolation rules changed immediately.

Andrew: What we want out of National Cabinet today is we want a clear and consistent plan that gives business the tools to get on with the job that ensures that we are protecting the economy as well as protecting the health system. So the two things have got to go hand in hand. Of course, opening up these provisions to a broader range of sectors at the moment, that has to be a priority. Securing supply of things like rapid antigen tests, this is an essential tool that business needs to have access to if we're going to be able to get these workers who are close contacts back into the labour force safely. And to do that, we do think we've got to revisit the question about how to make these kits freely and widely available. That's what governments have done in other parts of the world. Honestly, we think that National Cabinet squibbed this issue the last time they met and we're urging them to rethink that.

Gabriella: What difference would it make to businesses and the economy as a whole if rapid antigen tests were free and available?

Andrew: It's an important tool that businesses have that they can test these workers, ensure that you do have those controls in place, that you're able to manage risk in the workplace. It will be the same when schools go back. It's the same for many other community organizations where people are coming together in one in place. So if we want to keep the economy moving, if we want to keep social interaction going in a responsible way, then the community and business needs to have access to these tools. At the moment, there's very restricted supply. Government needs to step up. We need to get those supplies going. We need to make them freely available. Many businesses cannot afford the extra cost at this point in time. This is the most severe pressure point that the economy has faced really since the start of the pandemic, so it all comes down to this. We've got to get through these next four to six weeks, however long it takes, and be prepared for what might come thereafter.

Gabriella: Andrew, there are suggestions that we need older Australians to step in and help fill work shortages. What's your position on this?

Andrew: Oh, look, absolutely. There are a range of things that governments have to do at this time to be creative, to look at the opportunities. And we know one of the areas where there is unmet potential at the moment, and that is for older Australians, people over 65, who might want to continue to take on some work, work longer as part of flexible arrangements going forward. Now, at the moment, we know that the pension system penalizes many of those Australians if they start to earn much more than \$450 a fortnight. Then their pension is cut back. Now, we need to open that up, we need to look at the interaction between the

pension system and the tax system, and if there are Australians who want to work longer above the age of 65, then this has to be something that's seriously contemplated. Because in Australia, many fewer people above that age of 65 are still in the workforce than if you look at other comparative countries around the OECD.

Gabriella: Okay. Are businesses going to extreme lengths to keep staff at the moment? I'm hearing reports of people poaching staff, paying them more, just so they can have staff to keep their businesses running.

Andrew: Absolutely. I mean, it's a very tight labour market. Really, the business is desperate in many cases. You cannot get staff that you need for love or money. To be honest, it's an absolutely chronic situation. It was already tight in December before Omicron hit. The current situation, this current wave of the pandemic, has just made things so much worse. We do have to look at other solutions. We have to look at what we can do to encourage older Australians back into the workforce. We have to look at more hours for some of the visa holders that are in the country currently, whether those are international students or in other categories of skilled migrants. And we have to look at when we can much more fully open the borders, bring fully vaccinated people with the right skills in as well. That's got to be on the table as part of the solution. Now, obviously, at the moment, that's going to be much more difficult while we're dealing with this current wave of the pandemic. But as we move forward, we've got a plan for those next steps and what we're looking for is clear and consistent messages from government. Where are we in relation to what was advertised previously as the national plan? And let's put that out there so that we know what the next steps are planned to be.

Gabriella: Andrew McKellar, thank you so much for your time. Really appreciate it.

Andrew: Thank you.

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