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Event: Andrew McKellar interview with Greg Jennett, ABC News Afternoon Briefing.

Speakers: Andrew McKellar, chief executive Australian Chamber of Commerce and Industry; Greg Jennett, host ABC News Afternoon Briefing.

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E&OE

Greg Jennett, host ABC News Afternoon Briefing: Now rounding out the many interests involved in all of this is the Australian Chamber of Commerce and Industry. It represents larger-sized businesses, typically, along with the trade union movement and ACOSS. Its chief executive, Andrew McKellar, is here in Parliament House today, preparing the ground for the summit proper on Thursday and Friday. Andrew McKellar, we're in the countdown now to the Jobs and Skills Summit. It seems like lots of industry organisations are cutting deals between themselves, small business and the ACTU being the latest example. Where's your slice of the action?

Andrew McKellar, chief executive Australian Chamber of Commerce and Industry: Well, I think we're working on agreement on a broad range of fronts on the weekend. We came out with a joint statement between the ACTU, BCA, Ai Group, and ourselves, on skills and training. I think that's a very good start. This is an absolutely fundamental area. We've got to get our skills and training investment right, and we've got to ensure that employees can get those skills that they need. They can take them with them wherever they go during their career, and it'll benefit them for life.

Greg: And that will be pulling in federal and state responses as well, I imagine, in heading down that path?

Andrew: Correct.

Greg: Enterprise bargaining, though, seems to be much more of a sticking point. As a starting position, do you want to see it reinvigorated to open the door to more meaningful pay and sustainable pay increases?

Andrew: Absolutely. I mean the starting point from businesses point of view is that if we get increases in productivity, then of course that should be resulting in real wage increases. That should be translating into real wage increases.

Greg: But it hasn't been and there have been productivity increases.

Andrew: That's right, so it hasn't been. The system is broken. I think all sides are saying that. All sides are acknowledging that the bargaining system is broken. We've got to address those problems. We've got to get fundamental solutions that get both parties back to the negotiating table. And when they come up with an agreement, that agreement can be implemented, not blocked, when it gets to the Commission.

Greg: What's the sticking point there in your view? Does it come down to the better off overall test?

Andrew: I think that's an important part of it. We've got to get that test back to a situation where it's working properly and in the benefit of the parties that are negotiating. We can't have a situation where the Commission is throwing up hypothetical situations, or where another third party is coming in and saying, "Oh, we don't like that aspect of the agreement." If the parties have reached agreement, they both agree that they're better off, then they should be able to implement that outcome.

Greg: That seems like a pretty simple expedient. Do you sense that that is a deal able to be done around this summit?

Andrew: Well, I think hopefully there's some common ground on that point. I think it's got to apply to everybody. That's been a sticking point in the past.

Greg: Everybody being each individual worker?

Andrew: No, it's got to be available to all types of businesses across all industries. We can't have a fast track, a particular union fast track, or some other sort of arrangement, and a slow track for everybody else. That's just not acceptable. It's got to be applied across the board uniformly and that will get bargaining going again.

Greg: All right. What about migration? Because it does look like the government's taken a long, hard look at intake numbers ahead of the summit. Would you agree there appears to be some willingness to meet the parties here?

Andrew: We're getting some positive signals. I think there's been good constructive dialogue on that point. If we're going to resolve the situation, then I think really, we've got to take some of the breaks off. We've got to get rid of the red tape. We've got to reduce the cost that business currently incurs as part of that process. Because we have to be competitive. So if we can do that, let's not put too many conditions on it, then I think we can make some progress.

Greg: What does that mean practically for business? New categories of visa or less testing of the labour market before people can be invited in?

Andrew: I don't think it's a matter of introducing new categories of visas. I think what we've got to do is we've got to speed up the time it takes to process a visa request, a visa application. We've got to take some of that cost off business at the moment. It's very expensive to bring somebody in from overseas. We're screaming out for labour, and we are competing against other countries that are getting in front of us. We need to make sure that we are at the front of the queue.

Greg: As you would expect heading into a gathering with 100 participants, there are lots of items on the wish list. Many of them do carry a federal financial contribution, directly or indirectly, which does raise the question, has been put to the treasurer, how would you pay for this? He says a trillion dollars worth of debt. But it is getting plenty of questions asked about stage three tax cuts as well. Do you have any fear, or maybe I don't want to put words in your mouth, but any inkling that that might come into play, legislated already, but come into play after this summit?

Andrew: Oh, look, I think that's premature. I think let's get through and see where we think those solutions are. As the treasurer has said many times, those tax cuts have been legislated. I think it's a big step to contemplate reversing them at this point. I think we've got to see how the summit comes out. And then obviously, if there are things that have a price tag, then we're about to go into a budget process. So that's the time, I think, to really have those discussions.

Greg: There are some influential people. The Greens are not without influence in the current parliament. David Pocock from the ACT is another explicitly calling for them to be revisited. Do you see that and sense any sort of campaign or building momentum? **Andrew:** Well, there are probably no surprises from at least a part of that agenda. But at the end of the day, the government has to determine its policy. The treasurer and other ministers will be working on the budget process. I think those discussions can come as we get on the other side of the summit.

Greg: All right. Well, that is probably a discussion we'll be having all the way through to October, if not beyond. Andrew McKellar, still a few days to run. Then the summit proper. We'll probably catch up again.

Andrew: Great. Thanks Greg.

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