



Transcript

#BackAustralianBusiness

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: Andrew McKellar, welcome back to the program. We're very much in the countdown now to the end of the legislative year for this parliament, and I see the Chamber of Commerce and Industry is splashing a modest amount on advertising against the industrial relations bill. How much are you spending?

Andrew McKellar, chief executive Australian Chamber of Commerce and Industry: Good afternoon, Greg. Great to be with you. Look, I think the important message here is that you have all of the chambers of commerce and industry around Australia acting in a unified way, coming together to reflect the concerns that businesses are saying they have about this legislation. So it's not about how much money we're spending on an ad, it's the fact that we're all coming together with one single message reflecting the concerns of business at this point in time.

Greg: And what is the outcome that you are seeking? Is it to kick this can down the road by splitting the Bill and making what we might call procedural changes? Or do you want to see it defeated in the here and now?

Andrew: If the Bill was to go forward, as it stands, really our concern is it's not fit to pass. But look, I guess we're open to any solution the Senate wants to seek. If it wants to split the Bill, that's one way to do it. There are elements of the Bill where business doesn't really have any concern or objections. So if

you're talking about gender pay equity, the arrangements for the low-paid sectors, those are not controversial. It's the single interest stream that is really where the main problems are.

Greg: Multi-employer bargaining.

Andrew: That's right. Yeah.

Greg: So, do you have any examples within your own membership of a firm with a staff headcount of 16 or other who would be directly dragged into negotiations that would cost them more under this model?

Andrew: Indeed, there are many businesses that are coming forward. In fact, last week, the West Australian Chamber went out and surveyed all of their members. They've come back with some very comprehensive results. It shows that there are more than 90 per cent of business in their survey signifying that they have concerns. If you drill down into that, then yes, you start to find examples. So whether it's an engineering firm, whether it's a small business or retail outlet, we are finding many examples of businesses that are saying they do have concerns, that they can potentially get roped in to agreements that they don't necessarily want to be part of, and which they can't necessarily afford. They don't have the resources to manage that sort of system in the future.

Greg: What do you mean by can't necessarily afford? Because that's the secret sauce in all of this, isn't it? They might want to, but could they afford to? There's no way of actually knowing what the price effect of a wage agreement through this multi-employer bargaining stream would be at this point, is there?

Andrew: I think this is one of the problems. So the government is trying to ram this legislation through, it wants to have it through before the end of the year, before Christmas. They've given the Senate very little time to scrutinize this. Every day that goes by, more and more businesses are coming to us, coming to the state and territory chambers of commerce, and saying: We have real questions about this. We have concerns. What does it mean for us? The Senate hasn't been given time to dig into those issues, to understand the unintended consequences that are out there for business. If we rush into this, there's no way back. We will end up imposing significant costs on business. We will end up costing jobs and in some cases, businesses will go to the wall.

Greg: Costing jobs. How many do you say?

Andrew: It's going to be very hard to quantify, but look, there are huge concerns out there. We've seen various numbers in sectors, the resources sector and so on. Our focus is mainly on small and medium-

sized business. And 98 per cent of all businesses are small business. The impact there could be catastrophic.

Greg: So mining, since you raised the example, is talking about 30,000-33,000 jobs lost through a combination of industrial changes, but also perhaps forthcoming taxes. Would you be in that ballpark? Are you doing any work on projections?

Andrew: What we're doing at the moment is we're out there talking to business. So we've got a number of the state and territory chambers of commerce going out, surveying members, starting to pull that data together. So I think we've got to take the time, see what those results show. The results we've seen already indicate a concern about there being a far-reaching impact. But honestly, this is one of the issues. So there hasn't been a proper analysis produced. And one of the things that we would say to government is you haven't been able to show us any analysis that supports the assertion that this will increase wages in a sustainable way.

Greg: We're talking about numbers. I guess the numbers that matter most in the short term are those in the Senate. The government is mathematically so much closer to the line of passage here. Would you agree that then you are in mounting this rear-guard action?

Andrew: Well, those are the numbers in the Senate. Essentially, we need to engage with all of the crossbench. We need to convince all of them that this needs to take more time, or that the bill needs to be split, or that it should be rejected. So that's a discussion obviously, we're seeking to have with all of those senators. We've written to every single senator, government, opposition, crossbench, today to communicate that to them. We hope that they will be prepared to listen.

Greg: All right. Well, you've got your work cut out for you, Andrew McKellar, with roughly speaking of fortnight to go. We'll let you get on with that task. Thanks for joining us.

Andrew: Great, Thanks, Greg.

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