

Transcript

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Item: DISCUSSION ON THE 2020 SUMMIT WITH HEATHER RIDOUT, CEO, AUSTRALIAN INDUSTRY GROUP AND MARGOT CAIRNES, CHAIR, ZAFFYRE INTERNATIONAL.

INTERVIEWEES: HEATHER RIDOUT, CEO, AUSTRALIAN INDUSTRY GROUP; MARGOT CAIRNES, CHAIR, ZAFFYRE INTERNATIONAL

Demographics:	Male 16+	Female 16+	All people	ABs	GBs
	N/A	N/A	N/A		

BROOKE FORSTER: But let's get some more on all of this with two of the delegates who are part of the 2020 Summit in the working group titled Future Directions for the Australian Economy. I just mentioned her, Australian Industry Group's CEO, Heather Ridout. Also joining us in the studio is Margot Cairnes, the founder of Zaffyre International and a well known business consultant and author, of course.

Margot and Heather, thanks very much for coming in.

HEATHER RIDOUT: Good to be with you.

BROOKE FORSTER: I'll start with you Heather. You seem to be fairly optimistic about how the Summit worked out.

HEATHER RIDOUT: Look I am. I thought it was a really interesting exercise and it wasn't just for the ideas that came out of it. It was the expression of what people thought as issues that they wanted addressed. And the issue of federalism, whether you were in our group on the economy, whether you were in social cohesion - inclusion, whether you're in rural, whether you're in productivity, every sector said this was an issue that should be addressed.

MARGOT CAIRNES: Yeah.

HEATHER RIDOUT: So that was really important. The issues around tax were quite widely talked about as well. The issues around Indigenous affairs and the priority that needs to be given to those. It was just really fascinating. And the increased

investment that people want to see in education and skills development, that was widespread and around infrastructure. And of course the federation and making that whole thing work better for all of those areas. So I just thought it was a really interesting vision. There were a lot of good ideas but it was just this strength behind the republic, the strength behind the federation, the strength behind this, it came through from all the delegates. That was quite powerful.

BROOKE FORSTER: And Margot, you feel that the optimism that has come from perhaps the change of government and the opportunity to express new ideas as well?

MARGOT CAIRNES: Yes Brooke, I was just thinking, I was one of the 500,000 Sydneysiders that hit the streets of Sydney to demonstrate against the Iraq war and we were told we were the mob and it was a very disenfranchising experience. And for me this was being one of a thousand people going and saying actually we want to hear your ideas [sic]. And it's such a change. And I'm not a - I'm not associated with any political party. I'm just a normal person going through life. But what I found is, this is a government that's saying we want to hear what the people have to say.

And I think that's very empowering for the country and what the people wanted to say was wonderful. It's about let's invest in people, let's invest in Australia, let's use the good fortune of the boom years to take this country to somewhere really special in the world. And that's very inspirational.

BROOKE FORSTER: I mean some people were saying there were a lot of elite sort of people there, lots of CEOs. Tell us about though the people that were actually in your group, that you were having this discussion with. Obviously that would have shaped the sort of ideas that came out.

HEATHER RIDOUT: Well I was in a fairly small group. The economy was broken down into streams and I was in a fairly elite group. I had about four mandarins, the head of the Reserve Bank of Australia, and a woman who was terrific. She was a management consultant and she was spiking the wheels all the time. It was very amusing.

BROOKE FORSTER: Yeah.

HEATHER RIDOUT: And I was of course sort of sitting there in the middle of all this, but it was really very interesting. They were really wanted to hear what the concerns were about the development of public policy in Australia and how to implement it. and I thought that we worked together for probably four hours, four and a half hours to get - all up the eight of us. It was very, very interesting.

But that whole idea that it was an elite summit, that is really nonsense. There were people from all walks of life there and they all felt, I think, that they could express their views and the elite - and Margot I'm sure you felt this, but they all left their baggage, their elite baggage at the door. And you know, everyone had to take their turn. Everyone tried to listen. I mean I think some of the groups got a bit feisty and there were some loud voices. But our group was incredibly civilised.

BROOKE FORSTER: Civilised in a good way I guess.

HEATHER RIDOUT: Constructive...

BROOKE FORSTER: Still bringing the ideas, constructive yeah.

HEATHER RIDOUT: Oh yeah and I think it was very cathartic, the group that I was in. I thought we made a lot of progress. The economy group, as a whole, made a lot of progress and I think there was a lot of - it was a consensus but it wasn't a consensus formed by going down. It was a consensus that merged through really good discussions.

MARGOT CAIRNES: Yes it was. It was a very positive discussion.

BROOKE FORSTER: I have, I mean I have to play devil's advocate in one way. Some people - I mean great consensus and some big ideas were raised. But some people are saying well, you know, what was new that was discussed. Tell us what you think was new and what you discussed in your group.

MARGOT CAIRNES: Well I actually don't think, in my group, anything new was discussed. But what was new was we were discussing it. And I think we've come out of a period of dark in Australia where we haven't discussed it. You know, if you've got something negative to say, if you've got something that's kind of xenophobic to say, then you would get heard. And

this was about getting people, having people being heard about positive things. What are the positive things we want to do to take this country forward and how do we want to do it together?

So it wasn't that new things were being said, what was new was we were saying it and we were saying it to each other and we were saying it - I mean there were people there that were very, you know, young people. There were people in their 20s, early 20s and younger. There were people there from isolated areas in Australia. There were certainly, in my group, I had a lot of what you would call elite people.

But there were also, there was a real push to make sure that there was at least 50 per cent of women. And in Australia if you look at the statistics, women don't generally get to be on boards. And they don't generally get to run big companies. They tend to be out in community doing a whole range of things. And the fact that there were - 50 per cent of people were women meant that there was a whole range of ideas being heard that normally don't get heard and I thought that was very positive.

HEATHER RIDOUT: But even in the area that I was in, like public policy, that is not often discussed. I mean it's a pointy head sort of issue but it's an incredibly important issue for this. If all these ideas have to be put into policy and then implemented, getting that process very robust, very strong, very engaged with the community is absolutely vital.

Yet you know, I think for a number of years, everyone would agree, that public policy has not been done well in Australia. You know, we've had a very narrow view of it. Government hasn't engaged widely enough. We've all sorts of stakeholders. Yet there've been a lot of failures. Implementation has been poor. There's been no review. The regulatory impacts for business have been huge.

So you know, even though it might be an old subject, it is very rarely discussed and we discussed it and it was the source of all good things for everything that happened yesterday and the day before.

BROOKE FORSTER: So tell us, what are the future directions for Australia because I mean the last - if we look at the next 12 years, it

possibly could be very different to the last 12 years. We've had economic expansion for such a long time. Now we face a period of economic downturn we expect. Some people are saying, perhaps the commodities boom petering off a bit. How do you shape the direction of our economy in those new circumstances?

HEATHER RIDOUT: Well I think one of the ideas coming out of the summit or the directions coming out of the summit are quite transforming. I mean the governance issue and the republic is transforming and it would be there. But if you look at the tax issue. If you look at the federalism issues. You look at the massive investment, that there's a huge community wave of support for education and training and lifting the skill levels...

BROOKE FORSTER: Which you've been talking about for many years with us.

HEATHER RIDOUT: A long time, indeed. Indeed. And infrastructure and making - really doing a major upgrade of the country's infrastructure, both soft, through broadband and heavy infrastructure, or hard infrastructure through roads and transport, et cetera, et cetera. And then the whole issue of tax and how we can really do another Asprey Report. When I was at university I studied the Asprey Report, simple efficient tax systems. I remember all those principles.

MARGOT CAIRNES: That was yesterday Heather.

HEATHER RIDOUT: [laughs] So I think these are quite transforming and they are the things that are required to set Australia up for a future that's going to be lower growth. You know, we've done this major analysis where our growth rates going to come down to 2.9 unless we do something. And that won't be enough for the carbon economy. It won't be enough for the ageing. And that whole issue of carbon of course was just the elephant in the room. Because that and the demographics are the big challenges, apart from the immediate economic cycle issues.

MARGOT CAIRNES: Well the way I look at it Brooke is that if we're in good times, you can be a bad leader and get away with it. if you're in harder times, you have to be a good leader. And a good leader uses their resources and I think that what Rudd did over the weekend, he said let's get by - 1000 of the best and

the brightest together, let's pick their brains. Let's use the resource of the country. And of course what did the 1000 say, they said don't stop with us. Take it out to the rest of Australia. This is a nation of magnificent, surviving, pioneering, brilliant people. Let's use the resource that we have.

And that was the thing I got out of the conference again and again and again. We have so much more than minerals in the ground. So let's use the wealth that comes out of the minerals in the ground to invest in the wonderful people of this country. So that we together can go through whether it's good or bad times. Whatever it is, we'll make it better because we'll do it together and we're going somewhere wonderful.

HEATHER RIDOUT: And on that education issue, there was a lot of discussion in our group, the economy group as a whole, about the need to retain talented people and young people in Australia. I mean in New Zealand a lot of the talented people come to Australia. I mean we have to - there's no, it's a great thing that people travel and work in other countries and have that experience. but we want them to come back here and we want to keep a lot of that talent here in Australia, has to be working on making sure its value proposition for these people is good. Because keeping the kids here is the bottom line for the success of all of us.

MARGOT CAIRNES: And Brooke, it's not just about a little bit here and a little bit there. What was exciting in the conference was looking at it all. So around that issue that Heather's talking about was how do we have a tax regime that wants people, wants people to come back from Hong Kong where they don't pay much tax.

HEATHER RIDOUT: Yeah.

BROOKE FORSTER: Incentives.

MARGOT CAIRNES: How do we have education? How do we have opportunity? How do we, you know, work with our regional neighbours? It was an holistic thing which was really exciting because I could see it happening.

BROOKE FORSTER: Margot Cairnes and Heather Ridout, supercharged up to the weekend, very optimistic and I guess everyone will look forward to seeing what comes out of it and some sort of really solid moves forwards from Kevin Rudd soon.

HEATHER RIDOUT: Well if it doesn't it would be deeply disappointing.

BROOKE FORSTER: Exactly. And I think...

MARGOT CAIRNES: It's up to us now. It's up to us as Australians now.

BROOKE FORSTER: Thank you so much for coming in to us, Margot and Heather. Really appreciate your time.