

TRANSCRIPT

Australian Industry Group, Heather Ridout, with Keiran Gilbert
Sky News Agenda
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Kieran Gilbert: Heather Ridout, good morning to you. You have called for certainty for business, you want the legislation passed this year. But despite the Government's backdown it looks no closer to reaching a compromise with the Cross Benches.

Heather Ridout: We have called for certainty all along and we have also called for a delay in this scheme of two year's and we've effectively got that. We called for more assistance for trade exposed industries so that we don't put in place a scheme which is going to penalise the Australian economy and not be matched by counterpart action by our major trading partners. And we have called for more support for the economy as a whole to be able to make the transition. Now the Government has moved substantinally in that direction. Not everything has been satisfied from a business perspective. There will always be areas which we need to tighten the screws on. Business also needs to be making very big decisions if we are going to be able to make the transition and to do that they need certainty. Uncertainty is death for business. So we want to work with the Opposition particularly around trying to work out what needs to happen. There will still be issues that we want to take on for business and we are hoping that they will come on board on these issues - to meet the market – and frankly an awful lot of what we supported with the Government through this negotiation were issues that the Coalition had been asking them for and so we are hopeful Keiran that we might be able to assist in a deal.

Kieran Gilbert: You're backing this, the Ai Group, the Business Council and the Chamber of Commerce but there are other business groups which aren't including the Minerals Council. They say that this is just a stay of execution for jobs in the mining sector. Do you understand their concern?

Heather Ridout: Look, I understand that there are concerns for a number of sectors who will face penalties through this system and don't feel the compensation is sufficient to match that. All of those issues have to be on the table in the weeks ahead so that we can actually try and get a deal. The idea that we just walk away completely, I don't think is an option for Australia. We are a very emissions intensive economy, we do want to have credibility in the international negotiations. If we don't have an emissions trading scheme or at least make substantial progress in this area we will face punitive trade barriers from other countries and we will probably deserve them. We will also face from a business perspective a plethora of state regulation around this issue which is really irritating our members. What we want to make sure of is that we get one national scheme, get rid of state based regulation and be able to participate in a proper global trading system.

Keiran Gilbert: Well this legislation is being introduced in the next few weeks during the May session of Parliament. So, if your aim of certainty is to be achieved, it is going to be a few important months ahead. What would be your message then to

Malcolm Turnbull? You say that you want to work with them but would you urge them to be more conciliatory in their approach?

Heather Ridout: Look, I think that we need to understand where the Coalition are after they have had a chance to study this policy. We need to convey to them the outstanding issues that the business community has and Mitch Hooke will put his issues also and we are traditionally able to work together. I hope that some of the concerns that he has can be allayed because bipartisanship is really important around an issue as important as this one. This is a big reform. It is also for many people, and I was really conscious of this, a moral issue to many people. It is not just an economic issue, a cost issue. It is something that the Australian electorate felt very strongly about in the lead up to the last election and the business community does have an obligation to actually try and make progress on this issue as does the Coalition.

Kieran Gilbert: Well, the Government has won support outside of the Parliament with business groups and environmentalist groups supporting its compromise or its backdown, however you want to characterise it, but they haven't won support in the Parliament, crucially the Senate, with the Greens, the independents and as we have been discussing the Coalition. Has the Government in your view butchered its negotiations with its opponents in Parliament?

Heather Ridout: Look it's not for me to make comment on how the Government plays its politics. What they have done is try to understand the concerns of business and in the end business is going to have to pay the piper on this. It is going to impose a huge cost on business and particularly on trade exposed industries and we have been trying to ameliorate those costs to give them a way forward. In terms of the Greens, I don't think the Government could really satisfy the Greens unless they shut down the Australian economy or had it growing at such a slow rate no one would be happy. I think that is a very tough ask. But really the Coalition live in the centre of politics where we sit and where most Australians sit and I would have thought that bipartisanship should not be an unrealistic achievement on an issue like that and we will be doing everything we can to try and support them.

Kieran Gilbert: Heather Ridout of The Australian Industry Group as always great to speak to you. Thank you for your time.

Heather Ridout: Thanks you Kieran.