



# TRANSCRIPT

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## **Business edgy on election deadlock amid AAA rating concerns**

MICHAEL BRISSENDEN: The election deadlock creates a new layer of uncertainty and complexity for an already nervous business community.

With proposed workplace reforms and corporate tax cuts now indefinitely on hold, business leaders are worried about how the rest of the world is viewing the political instability in Australia.

Even before the election the major credit rating agencies had warned Australia AAA status could be at risk without budget repair.

Here's our business editor Peter Ryan.

PETER RYAN: The election deadlock is more bad news for businesses already unsettled by leadership changes in both major parties over the years.

But now even if the Turnbull Government scrapes back, its reform agenda could be derailed or compromised says Innes Willox, chief executive of the Australian Industry Group.

INNES WILLOX: Well uncertainty is the word of the day. Business craves certainty and stability, and what this election so far has given is uncertainty, and not just for week ahead or the month ahead but for a long time ahead.

PETER RYAN: Innes Willox says businesses already confused or weary from political gridlock might now hold back on basic decisions until they know who's running the country.

INNES WILLOX: What's the tax regime that they're going to have to deal with? What incentives are there around investment? What are the issues around hiring a new apprentice or a new trainee, hiring new staff?

So we might go into period of some weeks of those sort of decisions being deferred or delayed unfortunately.

PETER RYAN: How is Australia looking right now to overseas investors given Rudd-Gillard-Rudd under Labor and Malcolm Turnbull's coup against Tony Abbott last September?

INNES WILLOX: Well, we already have a reputation that is developing that Australia is a very difficult place to do business, and political risk certainly came onto the agenda through the period of 2010 to 2013 and those sort of concerns that were around are likely to return.