

## **New Morrison Cabinet**

**ABC TV News Breakfast's Mike Rowland and Virginia Trioli discuss  
The new Morrison Cabinet with Ai Group Chief Executive, Innes Willox.**

### **Question:**

So, what does business think of the new Cabinet team and policy direction in the aftermath of all of the leadership changes? The Australian Industry Group Chief Executive, Innes Willox, joins us now in the studio.

Of course, we had the corporate tax cuts and we don't know the status now under a new prime minister. What are you looking for in particular from the new front bench?

**Willox:** It's a new front bench and there are positive steps being taken by the new Prime Minister, putting industrial relations back into the Cabinet is very positive. As is separating immigration out from home affairs which is a big economic lever. Vocational Education and Training in the Cabinet is a positive thing. There's a range of things that we like. There are many things that we believe that the Government needs to address, and corporate tax is one of them. We would urge the Government not to give up on corporate tax.

**Question:** But they have given up. They won't talk about that any more.

**Willox:** They will keep talking about it because it is very important to the country. When business is doing well the community does well. And one way to help business do well is there. We urge the Government to go back and have another look at it and to be pragmatic. If it can only get through tax cuts for small business, not a perfect solution but it's better than nothing.

**Question:** Voters aren't buying and haven't for a long time, the idea of some sort of trickle-down effect that if you give big tax cuts to the big end of town, that somehow trickles down into a better living standard for them. There's little evidence of that. So you're on a hiding to nothing to try to persuade a Government that is now going to take a populist approach to revisit that.

**Willox:** When I last looked at the polls, 60% of people supported corporate tax cuts and understand the benefits that it brings to the businesses that they work in. And that's important to do. It's not trickle-down economics, it's about the situation of being able to create jobs and competitiveness for the industries and the businesses that they work in.

**Question:** Where does business stand now on the energy debate? We've seen energy and environment taken apart. They are now two different portfolios. Is that a good thing or a bad thing in terms of the shaping of a coherent energy policy?

**Willox:** That's a really good question. We supported the combining of energy and environment to try to get policy certainty. Circumstances are now that it probably makes sense to separate them out. And we supported the National Energy Guarantee, because of the framework that it provides. The focus of

the new Energy Minister has to be on getting prices down and reliability up. We saw a report last week from the Energy Market Operator saying that Victoria faced potential blackouts over this summer. So that's got to be a priority for Government. You're dealing too with carbon emissions. We're a believer in sticking to the Paris Agreement, 26% to 28% - to pull out of that - the former Trade Minister, Steve Ciobo, said that Australia would face trade repercussions if we pulled out. That would be disastrous for Australia. So we need to stay the course there. Separating them out makes sense. The Energy Minister Angus Taylor can focus on energy prices and reliability.

**Question:** On another issue that's been separated out is the idea that you passed over at the beginning about immigration and population. And clearly, a focus now trying to address some voter concern around population levels in this country. But that's where the business community has a different view. You're very in favour of an immigration level that brings it up to the level of immigration that you need. How are going to square that circle when you do have a wider Australian community a bit wary of where that's left us?

**Wilcox:** I think you're right, the public are wary. They're asking questions about migration levels and this is a complex area of refugees and humanitarian and skilled migration. It's a mixed package. I think that we have to have a focus on the economic benefits of migration, particularly skilled migration. That's an area where it seems to me that very few people have tried to step in and prosecute some passionate arguments about that. It's a vacated space. I've tried. Maybe you haven't noticed, but I've tried.

**Question:** You've tried. It's going to take more than you. Not to talk you down!

**Wilcox:** But I think that the fact that the Government has separated it out is positive, because now we have the potential with the new minister to have that focus on the economic benefits of migration, not just a one-off.

**Question:** So you can present them as separate solutions.

**Wilcox:** And to link them. What's happened in the past is that we've had a debate around population, which has really become a proxy on immigration, and we need to have a broader and more sophisticated debate, and hopefully through this, we can.

**Question:** Do you think that you can work better with Scott Morrison than the previous Prime Minister?

**Wilcox:** We worked well with Malcolm Turnbull. We will work well with Scott Morrison. We see and talk to him regularly. I have to say, for my organisation, we're non-partisan. We met with Bill Shorten and CEO members last week. We will work with whoever is in government around policy and what's good for the community.