

ACCI CHIEF EXECUTIVE PETER ANDERSON ON ABC RADIO'S AM PROGRAM – 20 FEBRUARY 2012

BUSINESS SAYS ALP LEADERSHIP FIGHT DAMAGING CONFIDENCE

TONY EASTLEY

The escalating leadership tensions are worrying Australia's business sector.

One of the biggest business lobby groups, the Australian Chamber of Commerce and Industry, wants the Labor caucus to resolve the matter for the good of the country. And the chamber denies reports it's been approached by Kevin Rudd or his backers to rebuild bridges with business.

The Chamber's Chief Executive Peter Anderson is speaking here with our business editor Peter Ryan.

PETER ANDERSON

The business community generally has a high tolerance factor to manoeuvrings inside political parties and does certainly leave the politics to the politicians.

But there will be many in the business community who are somewhat perplexed at the heightened and very public degree of political instability inside the governing party. And it is our responsibility to remind the political community that especially inside a governing party there are issues associated with the management of the economy and the national interest which must remain at the forefront when any of these matters are considered.

PETER RYAN

So the matter of Kevin Rudd and the Prime Minister needs to be resolved as soon as possible?

PETER ANDERSON

Those matters and the extent to which they need to be resolved are matters for the politicians and those responsible.

But there are risks to the economy, especially when there is political instability inside a governing party. We know that we have relatively weak business confidence and periods of instability do add to poor levels of confidence, and secondly, if Ministers are not able to get on with exercising their authority as Ministers then that can lead to poor decision making by governments. In the past week we've seen some legislation passed to abolish the industrial regulations regulator, and inside that Bill is a very damaging new provision which has really not been the subject of any proper analysis by the House of Representatives. Whilst we don't know the ins and outs of how that came about, it's really a sign that someone's taken their eye off the ball.

PETER RYAN

So while all the leadership speculation continues you're concerned that there's not just uncertainty, but the big issues are becoming sideshows.

PETER ANDERSON

We can't as a country be complacent on anything. We need to make sure that there are as few distractions introduced as a result of our own domestic politics as possible because we have a very tough global environment in which Australian business needs to compete. Whilst politics is for the politicians there will be many in the business community somewhat perplexed at the fact there is such a heightened and public degree of political chatter and instability inside the governing party. Those issues need to be addressed, and they need to be addressed in a way that the decision makers keep a very close eye on the broader national interest and the economic interest of this country.

PETER RYAN

It's been reported this morning that Kevin Rudd has been meeting with business groups to rebuild bridges. Have you met or heard from Kevin Rudd or any of his backers in recent weeks and has there been any briefing from his supporters?

PETER ANDERSON

We meet regularly with politicians and Ministers but we have had no soundings out about leadership matters and I wouldn't expect that we would.

PETER RYAN

Would Mr Rudd need to rebuild bridges with business after the tensions that contributed to his demise as Prime Minister?

PETER ANDERSON

Any political leader needs to have strong relations with business. Mr Rudd did have an engagement with business when he was Prime Minister. He has had an engagement with business through his period as Foreign Minister as well because there are a range of issues associated with that responsibility which involve the private sector business community working with government. There's an established relationship there. The private sector and its organisations know full well that we do not choose political leadership, that is not our responsibility, that is a decision for our democratic processors and processors of our political parties. What we do seek out of

governments and prospective governments is a strong dialogue with the business community so the right policy framework can be established for the country and that is our sole focus and we need to remind our politicians from time to time that keeping an eye on the economy and keeping an eye on what's necessary to build a strong economy is the key.

PETER RYAN

But would business be confident or comfortable with the return of Kevin Rudd?

PETER ANDERSON

We don't exercise choices in that matter and so we are entirely agnostic on how political parties decide their leadership or who leads political parties. What we are interested in, is making sure that decisions that are made, are made for the right reasons and with a full understanding that there needs to be a strong Australian economy and a strong dialogue with the private sector, and policies that support the private sector and don't distract Ministers or Ministers from the authority they need to exercise on a daily basis.

PETER RYAN

But you see it as important that this matter is resolved sooner rather than later for the good of the country?

PETER ANDERSON

Well it's important that we have as little instability as possible. Whether there are matters that need to be resolved or how they're resolved are for the parties involved and the individuals involved, but for the good of the country we do need to make sure that we don't have prolonged periods of instability because that simply adds to low levels of business confidence and can contribute to poor decision making inside the system of government.

PETER RYAN

Have you been given any reading as to how this is hurting or otherwise Australia's international reputation?

PETER ANDERSON

Our international colleges and politicians in other countries are also pretty understanding that there's always an active dynamic inside a democracy. But when we're dealing here, as we are, with a political party that is in government there are special responsibilities to make sure that we communicate a message to the international community which is as strong and as stable as possible. There's no doubt that our international partners look with some interest and a little bit of head scratching at the dynamic of Australian politics from time to time. But it's a robust democracy. I think everyone's mature enough to understand that.

PETER RYAN

Have you been given any assurances at all from the Prime Minister's office about the stability in the top job?

PETER ANDERSON

No, and we neither seek them nor would we expect them. We deal with the Prime Minister's office with Ministers offices, and with MP's offices for that matter, on a professional basis dealing with the type of policy framework that we need and seek from the government. Our advocacy is well received in that spirit and we don't expect more and we don't ask for more.



TONY EASTLEY

The Chief Executive of the Australian Chamber of Commerce and Industry
Peter Anderson speaking with our business editor Peter Ryan.