



Transcript: Innes Willox doorstep interview – US Tariffs

Monday 10 February, 2025

Innes Willox:

This has come out of the blue, that Australia would be impacted despite the best efforts of Australian negotiators to exempt Australia. Now the hard work begins to get Australia cut out of these tariffs. If we don't, there are significant costs for Australian industry and the big question then is who's next and what's next – that's the great unknown.

So there's a lot of work to be done here by the government. This has got to be a national priority to turn this around. We've just had the Deputy Prime Minister in Washington dealing with AUKUS and now this has happened. This has just told us that we're not exempt and nobody should think that we're ever going to be exempt from American trade actions over the next four years.

Journalist:

So Australia was able to do this under Malcolm Turnbull and Joe Hockey as ambassador. Do you have confidence that Anthony Albanese and Kevin Rudd will be able to do this?

Innes Willox:

This has got to be one of their primary targets. This is a core economic and trade relationship for Australia and we have to turn this around. We got exempted last time on the basis of the product we made, not an Australia-wide exemption, and we've got to look for that at the very minimum this time around, and that's got to be the bottom line here.

Journalist:

Do you think that Australia to an extent has been resting on our laurels, that we would just be given an exemption this time around?

Innes Willox:

Well I think Australia has always hoped that we'd get an exemption on the basis of our longstanding economic and security relationship with the United States and also the free trade agreements. Well, once again under a Trump administration that free trade agreement has been shown to not count for much when it comes to the Americans wanting to take actions against producers globally. We are not being carved out, we're not being left alone. We've been caught up in a global trade war.

Journalist:

Just on Richard Marles, he's gone to Washington, Australia's paid \$800million to the US Government under the AUKUS pact. And yet we still seem to be in line to cop Tariffs in return. Does that raise any concerns for you about the strength of that relationship and why we're paying them \$800 million?

Innes Willox:

Well, with AUKUS, it's a security deal. The timing of this is really unfortunate, that the Deputy Prime Minister was in Washington and now this happened without much warning at all. I think this has taken everyone by surprise in terms of the timing. It's what we've got to expect now, under the Trump administration – things happen very quickly and they happen in ways we wouldn't expect. It's a bit like dealing with a spinning top – you don't quite know where it's going to go. This is why diplomatic action at the highest level from Australia is going to be really important to settling this relationship down.

Journalist:

Are you concerned it'll be different this time, harder this time? President Trump is certainly having a different attitude, he's learnt from the first time around. He's acting quickly, decisively, and he says there's going to be no carve outs this time. So it's going to be a tougher job?

Innes Willox:

Well, he cut us a break last time and there's no guarantee he'll do that this time. We're dealing with a different administration, different time, different priorities. And so we're going to have to work doubly hard to make sure that we don't get caught up. The danger has always been that Australia gets impacted as collateral in a global trade war. We are now collateral in a global trade war.

Journalist:

And what do the ramifications actually look like if we don't get an exemption? Can you tell us are jobs at risk? How many?

Innes Willox:

Well, at the moment this is still aluminium and iron and they're very important industries. They're big exporting industries from Australia, particularly Bluescope, a big producer, both in Australia and the United States. The bigger implication here, not just for iron, steel and aluminium, is what's next? And that's now been introduced into the equation. It seems now that potentially nothing is off limits.

Journalist:

But in terms of aluminium, steel and iron, you're talking about a billion dollars plus per year going into the US – that's a lot of money in fact.

Innes Willox:

Well, absolutely. We have a lot to deal with here. This has been a relationship we've built up over a long time off the back of hard work by Australian steel makers. And now they're being punished by the Trump administration. There's a lot of jobs at stake here potentially, but there's a lot of negotiation to be had too, so this game is probably just beginning. But the hard work for Australian trade negotiators and the government is really just starting.

Journalist:

How many jobs do you think could be at stake?

Innes Willox:

Oh, it's hard to tell, simply because we don't know how this will play out, given our steel operations both in the United States and Australia and how the US administration weighs that up. So right now we sort of have a blanket tariff thrown over everything. The detail now has to be worked out. This is where the hard work starts.

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