

**Transcript of conversation with Leon Byner, Robert Gottliebsen and Christina Pike
at 5AA on Wednesday, 6th December 2017**

Leon: Now look don't go away because I've got Bob Gottliebsen who is a tremendous financial columnist, talking about the fact that the Tax Office is removing peoples' ABN numbers in certain circumstances and this basically means that some of them can't actually work because they need to provide that information to do business with people who would give them the opportunity of providing goods and services. So, we'll have a look at this after 11 this morning and of course your calls on 8223 0000.

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Leon: This is the program that pulls back the bed clothes right to the bare mattress to see what we're really sleeping on and sometimes it's controversial but always informative, hey. Now, Bob Gottliebsen who I think is one of the best financial journalists in the world has exposed a story in *The Australian* that, I've got to tell you, I can't believe I'm covering it. It's the fact that the Australian Taxation Office, with the apparent blessing of Treasurer, Scott Morrison, and Revenue and Financial Services Minister, Kelly O'Dwyer, has devised a simple and devastating way to play a role in reducing the new business numbers. You know what it is? Refuse people the right to carry on business by stopping them obtaining or sometimes even cancelling ABNs. Can you believe that?! Well let's talk to business columnist of *The Australian*, Bob Gottliebsen. Bob, thanks for coming on today.

Robert: It's fine, Leon.

Leon: This is, this is weird.

Robert: Oh, this is awful. What we've just discovered is the tip of the iceberg, I think. And remember what these people are, Leon. They are ordinary people, they've often got disabilities or problems or, they're just ordinary people. And what happens is that our universities, our businesses, our small businesses want something transcribed. And it's a transcription company, a number of them. They put up on the website, "Would you like to transcribe this particular thing?" And the various people say, "No, I don't want that one, I'll have that one." And they download it, with a price they've agreed to and they transcribe it and send it off. It's a straight, simple, easy to understand contracting business. And these people choose between which ones they'll take, which ones they don't. They're not going to employ them.

Leon: Yep.

Robert: So, the tax man say, "Ah, no mate. You're employed. And I'm going to fix you up good and proper. I'll take your ABN away." And it's just diabolical. And you'll have to think that your Ministers know something about this. Certainly, the Tax Commissioner knows something about it. It's what they do and they're doing it all the time. The Tax Commissioner, unfortunately, and I mean he's very good at it; he's chasing BHP around as he should, as he should. And he's doing other things that are good. But down there in the pits, you know, the bottom of the pack, the ATO is totally out of control.

Leon: Now, Bob, why is this being done? What's the justification for this?

Robert: I wouldn't have a clue.

Leon: [Laughter]

Robert: It's because, I think the tax people, believe that everybody should be employed and this contracting shouldn't exist. Or they have a peculiar idea what employment and contracting is, down at the bottom of the Tax Office. Because these are the guys that's on huge superannuation, they have a very different life to most people. And they haven't understood, I don't think, that the world we now live in is quite different to the one that's 20 or 30 years ago.

Leon: Ah, there are stacks of people doing service provisions, stacks of them.

Robert: Exactly. And this is a clear one because you don't have to take the job. There are other jobs that they put on the website and you take that one or not that one or none at all. It just depends on what the situation is and you use your own materials, you do it at home. It's just ideal for single mothers, it's ideal for people that can't get around a lot or just want some income; university students, fantastic for them. And to have the Commissioner, to have their ABNs taken away, that's awful. Now I do believe a conference is going on, and you know, somebody's actually looked at it. I suspect the Minister [chuckling] has and said,

Leon: Laughter

Robert: "This is nuts." But remember there's a lot more of them. And this is just the tip of the iceberg.

Leon: I better talk to the Minister's office about this. I better have a talk. This is ...

Robert: Well, she's got to get out there and discipline this guy. And say, "It's okay, you're very good at the top end of town". But you've got to go and roll your sleeves up and look at the dirt that's going on down the bottom.

Leon: So if this has happened to you and you're one of the these operators, what do you do, Rob?

Robert: You go straight off to Centrelink, that's if you're eligible. You either have less income or find some other way of getting money from the government; you're legitimate, sometimes like a pension situation. It's just terrible.

Leon: What this will do is that it'll mean that people who earn a living legitimately can't.

Robert: No, that's right. And, you know, it's all very well to be concentrating on BHP, they definitely should do, they've got to look at that. But BHP can defend themselves. You know, Rio Tinto, the banks – they've got the money to go to Courts. With this situation, you have no way of defending yourself because the only people that can judge you are the tax people themselves.

Leon: I'm going to pursue this.

Robert: It's just ... look we are uncovering incident after incident after incident. Not always this way ... and we're going to keep going.

Leon: Good on you.

Robert: I've told the Commissioner personally and said to him, "Look what I want, what the community wants is an independent body, that's well qualified". So that people, when they, this sort of injustice takes place you can go to them, the independent group and say, "Look, make a judgement". Now, the only people you can go to are the tax people and they tend to just agree with the people further down. So it's a shocker. It's a dreadful system. Look, if you're not paying your tax, if you're cheating on the system, no mercy from me. But you can't just, well take these people here, if they went to an independent body, they can be fixed up in 10 seconds. It's so stupid.

Leon: Yeah.

Robert: And it's got to stop, it's got to stop because what's happening is, that the number of new businesses is falling as it should because these guys are out there. It's very dangerous. You know, the other day they had a crack at the export awards. If you get an export awards it's very dangerous. It'll bankrupt you if you're not careful. It's very bad business.

Leon: Alright, stay on the line Rob. I'm going to talk to the Director of OutScribe, Christina Pike. Christina, thanks for joining us. What can you tell us?

Christina: Thank you for having me, Leon. Well, I can say that yesterday's Mediation, we had some success. The ATO actually reinstated the contractors' ABNs, so we are very thankful for that.

Leon: Fantastic.

Christina: Hmm. But our OutScribe dispute is still ongoing and open. It wasn't resolved yesterday.

Leon: So what's the issue that's stopping it from being resolved?

Christina: Ahh, we don't know. They just want to get more facts and clarify more issues before they can give us a decision.

Leon: Hmm.

Christina: So hopefully, by early next year, we'll get a satisfactory resolution. Yep, we don't really want to offshore if we can help it.

Leon: Well, absolutely!

Christina: Yep. We want to stay, let the Australian economy, stay, let all the money stay here, for the Australian workers. And I want to emphasise, the contractors are NOT our employees. They are, they own their own enterprise. We used the ATO online decision-making tool for contractors, and they state that we are all, are contractor model. Our business is a contractor model, and they are contractors. So if that is not believable, I think the ATO should take that down because if we can't use that website as a guide, it shouldn't be there in the first place.

Leon: Christina Pike, thank you. That's from OutScribe. So Rob Gottlieb, this is, this is really extraordinary! I mean, I know there's been discussion about sham contracting but this would be an area where it's unlikely.

Robert: There's no sham contracting here.

Leon: I know.

Robert: You know what this is, Leon? These guys have made a terrible mistake, and just, at least the more intelligent of them has woken up to this but they can't admit it. So what they'll do is, they'll say, "Oh well, how about ...". Christina went to what we would call a Kangaroo Court. There's obviously some instructions, you know, so they said, "Oh, yes, we'll bring them back. We're going to review it later". They're just not doing their job and they're not, they're destroying the confidence of the small business community in the tax system. It's not good enough.

Leon: Bob thank you, yeah well look, we'll talk again on this Bob Gottliebsen. But, what I'm going to do, well, and I've spoken to Kelly O'Dwyer before, she seems to be a pretty reasonable polly, politician. So we'll, we'll have a look at this. But gee, how silly? How absolutely silly! Sixteen past eleven; 8223 0000. Remember you can call us on any issue you like. Isn't it amazing the stories we come up with? I mean, and I'll tell you I know a number of people who got disabilities who do this kind of work. They are fantastic at these jobs! There's one lady in particular I know, whose admin skills are just to die for! She is just the bees knees! She gets a lot of work from a lot of different companies. And she was telling me a while ago, she hasn't lost her ABN but she said, "Look I know a few people who have and we saw the Bob Gottliebsen who I have a lot of time for who's a journo, as a financial journo, he's on the case and we'll keep you informed." Has this happened to you? Have you been caught by this? We will be back shortly.