



The Hon Dr Jim Chalmers MP
Treasurer
Parliament House
Canberra ACT 2600

Dear Treasurer,

Re: Feedback from the Lilley Economic Productivity Roundtable

I am writing to provide feedback arising from the Lilley Economic Productivity Roundtable held on 7th of August 2025.

The Lilley electorate comprises of a diverse group of businesses and industries spanning across defence, aviation, transport and logistics, manufacturing, healthcare, education, and not-for-profit sectors. These industries play a vital role in supporting both the local and national economy by creating jobs, driving innovation, and contributing to Australia's long-term economic resilience.

The economic roundtable offered an avenue for local representatives from business, industry and education to share their respective feedback on opportunities to strengthen Australia's productivity, resilience, and long-term economic growth.

Feedback that emerged from the roundtable:

- **Investment in affordable energy:**
 - Stakeholders recommended further expansion of incentives for investment in renewable energy, particularly in solar and battery storage. It was noted that although existing renewable energy schemes have been beneficial, additional support specifically targeted towards the commercial sector can boost stakeholder confidence, while lowering overall costs. Furthermore, strengthening current policy and providing scalable funding mechanisms such as tax credits and subsidies can accelerate the adoption of renewable energy among energy-intensive industries.

- **Local manufacturing capability:**
 - Stakeholders raised concerns regarding the over-reliance on imported manufacturing, specifically for industrial equipment and parts. Furthermore, due to a shortage in skilled workforce, there is increased reliance on international expertise to service and maintain industrial machinery. This dependence on imported manufacturing and skills has led to higher costs and reduced efficiency among stakeholders. Greater investment in domestic manufacturing, including support for advanced automation, robotics, and locally produced industrial equipment was seen as critical to building sovereign capacity. This, in turn, would reduce Australia's exposure to global supply chains disruptions, as experienced during the COVID-19 pandemic.
- **Technology and innovation:**
 - Recommendations were made to increase Government investment encouraging the adoption of advanced technologies such as artificial intelligence and quantum computing. Implementing advanced technologies can increase efficiency and productivity by enabling advanced computing, data analysis, and modelling. While regulation in this sector is important, it is also equally critical to avoid over-regulation, which can hinder innovation. Furthermore, due to workforce skill shortages and limited access to startup capital, adoption and implementation of this technology was severely limited. To enhance private sector investment and boost local capability, introduction of targeted incentives with strong policy direction was necessary.
- **Workforce development and education:**
 - The availability of a highly skilled and qualified workforce is critical for improving long-term productivity. Stakeholders highlighted the need for improved pathways between vocational training and higher education. A recommendation was made to enable easier transitions for industry professionals into teaching roles while ensuring the education system remains aligned with industry demand. References were made to programs adopted by countries such as Canada and Singapore, where industry co-funds and co-designs training programs to help address skilled workforce shortages.

- **Services sector efficiency:**

- The services sector, primarily the aged care and disability workforce has continued to face shortages with inconsistent training standards. This is exacerbated by limited career progression, inconsistent pay structures, workforce retention challenges and high administrative workloads. Although improvements in this sector have been made, it is critical to invest further in education and training pathways, alongside improved workforce planning and professional recognition to attract and retain a skilled workforce.
- Stronger cooperation between Governments, service providers, and training institutions was also recommended to ensure qualifications remain relevant and aligned with the needs of the sector. Moreover, a need for a single national registration authority was proposed, alongside additional investment in modernising administrative infrastructure to support data sharing, reduce duplication, and ultimately enhance the quality and efficiency of care delivered in the services sector.

- **Government processes and confidence:**

- Improving the efficiency and consistency of Government approval processes was highlighted as a key step in enhancing productivity and strengthening engagement with stakeholders, particularly within the Defence sector. It was highlighted that streamlining administrative requirements and reducing duplication across Federal, State, and Local Governments would help create confidence among industries to invest. Furthermore, there was strong emphasis on long-term certainty surrounding policy settings, with stakeholders highlighting the importance of stability during election cycles to allow industries to plan major investments and infrastructure projects.

- **Tax reform:**

- It was recognised that efficient tax policies play a vital role in supporting the growth and competitiveness of small to medium-sized enterprises. Stakeholders recommended the introduction of targeted tax incentives to encourage business expansion, innovation, and job creation, recognising these as the critical driver in improving productivity. Furthermore, simplifying the tax system and reducing administrative burdens were also seen as important steps to build business confidence, promote reinvestment, and strengthen Australia's long-term economic resilience.

The outcome of the Lilley Economic Productivity Roundtable highlighted the importance of investment in energy, manufacturing, technology, workforce development, service delivery, and tax reform to strengthen Australia's productivity and long-term economic resilience.

The feedback received was constructive and has provided an important avenue for stakeholders to engage directly with Government priorities and share practical insights to contribute to Australia's economic reform.

I am pleased to present these recommendations for your consideration.

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'Anika Wells', with a stylized, flowing script.

Hon Anika Wells MP
Federal Member for Lilley
Minister for Communications
Minister for Sport