

## Submission: Destination 2025 – Queensland’s Tourism Future

Submission to	The Hon Andrew Powell MP Minister for the Environment and Tourism Minister for Science and Innovation 1 William Street Brisbane QLD 4000
On	Destination 2025 Queensland’s Tourism Future
By	Business Chamber Queensland
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### About Business Chamber Queensland

Business Chamber Queensland is the state’s chamber of commerce and industry. We’re Queensland’s largest business body and represent businesses in every industry, of every size and in every region in Queensland. For more than 157 years, we have supported Queensland businesses to create a resilient, diversified and competitive economy. We’re an independent, not-for-profit organisation dedicated to supporting Queensland businesses to thrive.

Our extensive business knowledge, built on decades of data, research, and direct engagement with businesses, provides invaluable insight into Queensland business sentiment, expectations, and conditions. Our consistent and timely reporting of issues affecting Queensland businesses ensures regular and comprehensive research and consultation are undertaken to drive policy decisions across all parts of government. Our consultations include businesses across the state, local chambers of commerce, and our peer industry groups to prepare a timely, comprehensive, and critical submission that reflects immediate and future business and economic needs.

This data and insights have informed our submission.

Tourism industry businesses and businesses in the wider tourism and visitor economy supply chain form a significant contribution to our network and the insights and needs of those businesses are included in our research.

## The Queensland business environment

High interest rates, inflation, labour shortages, and increasing regulatory compliance costs weigh heavily on business confidence, expectations and sentiment.

Business Chamber Queensland data shows:

- **Business confidence**, while showing slight improvement post the 2024 Queensland State Election, remains at low levels off the back of the longest sustained period of poor business confidence in 30 years of data, and is fragile amidst ongoing economic uncertainty<sup>1</sup>.
- **Workforce challenges** continue to be a key constraint, with businesses increasingly focused on upskilling and adopting new technologies to navigate a rapidly evolving landscape<sup>2</sup>.
- **Operating costs**, driven by energy, insurance, and labour expenses, are elevated. More than three quarters of businesses we surveyed (75.18%) experienced an increase in operating costs in the December quarter<sup>3</sup>.
- **Regulatory inefficiencies** are stifling growth. Business Chamber Queensland's 2023 Efficient Regulation Report shows 82% of businesses have faced rising compliance costs, averaging \$50,000 annually<sup>4</sup>.
- **The digital evolution is accelerating**. Business Chamber Queensland's 2024 Digital Future of Work Report highlights while businesses are adapting to emerging technologies, many struggle to keep pace with advancements in artificial intelligence and automation<sup>5</sup>.

Queensland tourism businesses are in a unique position to benefit from forward economic opportunities, with the 2032 Olympic and Paralympic Games, increased global demand for Queensland-made goods and products, and statewide infrastructure investment all presenting significant opportunities for private sector involvement and benefit. Businesses tell us they see public investment as a business opportunity, and a proportion of the work and value should come from local suppliers.

Public investment and a coordinated government strategy that aligns economic and social policy allows all businesses to participate and benefit in the wider domestic and global economy in the immediate and long term.

## Our submission

Tourism businesses across the state are at the forefront to capitalise on the growing visitor economy, including all international and domestic visitors to Queensland for holidays, business or education bolstered during the 2032 Olympic and Paralympic Games and the increased awareness of the Queensland brand in the future.

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<sup>1</sup> Business Chamber Queensland, *2024 September quarter Pulse Report*

<sup>2</sup> Business Chamber Queensland, *2024 Digital Future of Work Report*

<sup>3</sup> Business Chamber Queensland, *2024 December quarter Pulse Report*

<sup>4</sup> Business Chamber Queensland, *2023 Efficient Regulation Report*

<sup>5</sup> Business Chamber Queensland, *2024 Digital Future of Work Report*

Public investment and a coordinated government strategy that aligns economic and social policy allows all businesses to participate and benefit in the wider domestic and global economy in the immediate and long term.

### Our key focus areas

Eco tourism	Position Queensland as the leader in eco tourism
2032 Games legacy	Outcomes from a reformed policy and economic setting, increased business capability and prioritised business-enabling infrastructure
Investment attraction	Working with government using regulation reform, increased government efficiency and improved payment times and on-time payments
Tourism experience development	Initiatives that build business capability, especially through sustainability, workforce and skills development, increased productivity and innovation and digital connectivity.
Events delivery	Government's role to ensure large events (including business events eg conferences) are successful and sustainable, and the local businesses who help deliver them have a positive and lasting benefit.
Access and connectivity	Appropriately targeted infrastructure investment to support economic sustainability, infrastructure resilience, and public transport viability.

## Eco-tourism

Sustainable tourism industry businesses that meet local and international supply chain and consumer expectations **can help position Queensland as the leader in eco-tourism**. Businesses beyond the tourism industry, within broader supply chains, can also benefit from this growth.

### ecoBiz

Business Chamber Queensland's ecoBiz program can support businesses to increase their sustainability. Last financial year 250 tourism businesses benefited from the program and demonstrated their commitment to working sustainably to their customers and wider markets.

Business Chamber Queensland, in partnership with the Queensland Government, has successfully delivered the ecoBiz program in Queensland for more than 10 years. ecoBiz is an SME-specific sustainability and business cost reduction program that supported thousands of Queensland SMEs to reduce their operating costs in energy, waste and water, improve sustainability practices and, importantly, remain competitive into the future.

ecoBiz is the only free program in the country, if not the world, that helps SMEs with an action-based approach to sustainability, following a theory of change model. The program leverages industry knowledge and direct business engagement to deliver a tailored SME program that overcomes very real sustainability, ESG and carbon paralysis. This ensures SMEs achieve tangible sustainability results.

Data demonstrates the program is increasingly relevant as mandatory climate reporting impacts downstream supply chains, and climate risks and circularity become front and centre in decision-making related to business strategy and product development. Expansion of the program will position Queensland as a leader in sustainable and economically stable practices.

Business Chamber Queensland's ecoBiz program has the established architecture and expertise to demonstratively avoid carbon emissions and support the state's net zero targets. With its proven ability to address sustainability and energy efficiency challenges, ecoBiz is uniquely positioned to help SMEs to reduce operational costs, improve climate resilience, and align with a low-carbon economy.

As businesses face incoming mandatory reporting obligations, ecoBiz's comprehensive approach is critical to ensuring they are prepared to meet these requirements, maintain access to supply chains, and remain competitive. A key strength of ecoBiz lies in its ability to work hand-in-glove with SMEs to track and analyse data, providing valuable insights into capability and capacity increases within the SME community. This collaboration empowers businesses to adopt innovative environmental and social governance practices, manage rising energy and insurance costs, and secure long-term competitiveness.

*Last financial year, ecoBiz participants in Queensland:*

- *Avoided 62,577GJ of energy, the equivalent of 3160 households, or energy for a small town the size of Charters Towers*
- *Avoided 48,151 kL of water use or 20 Olympic swimming pools*
- *Avoided 1,035 tonnes of waste or 14,000 wheelie bins*
- *Avoided 12,077 tCO<sub>2</sub>e of carbon, the equivalent of 3,000 passenger vehicles on roads for a year*
- *Reduced, on average, 21.8% of energy intensity costs (21.8% cost reduction per productivity measure)<sup>6</sup>*

Recommendation:

- Provide funding for Business Chamber Queensland to continue and expand the successful ecoBiz program, which supports businesses in improving operational efficiency, reducing operational costs, and strengthening their competitiveness. This initiative will continue to assist businesses in navigating evolving regulatory requirements and future-proofing their operations against supply chain risks, while also appealing to tourism markets and helping to position Queensland as a leader in ethical and sustainable business practices and eco-tourism.

## 2032 Games Legacy

Legacy outcomes for tourism businesses extend beyond temporary visitation **to outcomes from a reformed policy and economic setting, increased business capability and prioritised business-enabling infrastructure** (see access and connectivity) that sets all businesses up for success beyond 2032.

A positive Games legacy can be applied to other large-scale events in Queensland, and deliver comparable business and tourism benefits with the policy environment to ensure success (see events delivery).

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<sup>6</sup> Business Chamber Queensland, 2024 ecoBiz program data

## Procurement opportunities

Positioning Queensland as an attractive destination for global business investment will secure our place on the world stage and enable local businesses to partner, innovate and grow. This is critical as Brisbane and the state prepares to host the 2032 Olympic and Paralympic Games and we see growth in population, infrastructure spend and tourism. Local businesses must be supported to participate in and benefit from the growth ahead in our state.

Effective procurement is a powerful economic driver that can strengthen Queensland's business community, enhance local job creation, and promote innovation. To maximise its potential, procurement processes must be accessible, transparent, and strategically aligned with the state's long-term economic vision. This will contribute to a lasting legacy for the Queensland business community and economy and provides a robust program to de-risk supply chains and legacy outcomes.

*Business Chamber Queensland data indicates nearly 87% of businesses agree major infrastructure investment should ensure a significant proportion of contracts are awarded to local businesses<sup>7</sup>.*

Lessons from the Paris 2024 Olympics show the potential for success: 90% of procurement was sourced from French businesses, with 75% coming from SMEs<sup>8</sup>. These outcomes were achieved through clear procurement expectations, early market engagement, and defined schedules that gave businesses the confidence to invest and innovate.

Partnerships play a crucial role in enabling benefits and opportunities for businesses of all sizes and in all parts of the supply chain. A collaborative approach to procurement and innovation promotes a model of mutual benefit for a wide range of businesses. Furthermore, partnerships play a vital role in efficiently delivering large-scale projects and fostering innovation, driving economic growth.

### Recommendations:

- Establish a Cabinet taskforce to manage long-term cross-portfolio initiatives to achieve better outcomes for procurement in Queensland.
- Break-up tenders for SMEs.
- Simplify tender processes.
- Develop a dashboard for a procurement pipeline.
- Set an ambitious target for local procurement for the 2032 Olympic and Paralympic Games.
- Accelerate funding for procurement capability programs for SMEs.
- Incentivise successful bidders to partner with other businesses through their supply chains to tender for government contracts.
- Provide funding to Business Chamber Queensland to establish an Olympics readiness capability-building program for small to medium businesses so they remain competitive, can take up the procurement opportunities available in Queensland ahead of the Games, and can meet changing procurement expectations.

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<sup>7</sup> Business Chamber Queensland, *2024 State Election Blueprint*

<sup>8</sup> Ex-ante economic impact study of the Paris 2024 Olympic and Paralympic Games

## Capability and readiness

For Queensland's business community, the Olympic and Paralympic Games are a once-in-a-generation opportunity to reimagine and refashion local businesses as contemporary and competitive global players in the lead-up to and beyond 2032.

Alongside an expected influx in investment that accompanies travel, tourism and Games attendance, this will further deliver a strong legacy through an injection in employment and industry in those, and their neighbouring regions. To go alongside Games related infrastructure, there must be an equally committed focus on transport and logistics, including road and rail infrastructure.

*77.1% of businesses agree it is important the regions benefit from the Olympics, however, only 18.3% say they are confident their business can benefit<sup>9</sup>.*

### Recommendations:

- Engage business in the planning and preparation process to ensure clarity and relevancy in building suitable infrastructure for the Games.
- Finalise planning and commit to funding for Games legacy infrastructure projects to give investment certainty.
- Accelerate priority transport connectivity projects (see access and connectivity).
- Fund Business Chamber Queensland to build business capability and measure legacy impact, for example, through the Chamber's existing Workforce Evolve and ecoBiz programs.
- Provide funding to Business Chamber Queensland to establish an Olympics readiness capability-building program (see procurement).

## Digital and cyber capability

Partnering with organisations like Business Chamber Queensland to establish a business enabling digital program to assess businesses' digital maturity, provide a curated capacity building journey, providing measurable uplift in competitiveness and productivity whilst also encouraging new technologies including Artificial Intelligence (AI) uptake is imperative.

A digital, AI and cyber resilience capability building program, drawing on the proven frameworks established through existing programs, will equip businesses with the necessary resources to protect their digital assets, ensuring continued operation and business growth in an increasingly digitalised economy. This program will prioritise workforce productivity, leveraging digital solutions to streamline workflows and upskill employees to meet future demands. The tool will play a vital role in preparing businesses for the increasing use of AI and protecting them against Cyber risks, presenting both opportunities and challenges that necessitate proactive digital resilience measures. Leadership in adopting AI and workforce automation, supported by upskilling programs, can bridge the business knowledge gap regarding AI.

*Our research shows 50% of businesses have a basic or below understanding of AI and technology in business and 15% of businesses we surveyed said they had experienced a cybersecurity incident in the past year<sup>10</sup>.*

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<sup>9</sup> Business Chamber Queensland, *2024 State Election Business Blueprint*

<sup>10</sup> Business Chamber Queensland, *2024 Digital Future of Work Report*

#### Recommendations:

- Work with industry experts and leverage existing programs to prioritise relevant and work-ready programs in cybersecurity, artificial intelligence, and digital strategy to support businesses in developing digital skills.
- Partner with Business Chamber Queensland to build and support digital, AI and cybersecurity capabilities for SMEs. This would enhance digital resilience, increase productivity, reduce the financial impact of cybercrime, and protect the national small business sector's economic stability.

### Regional participation

Queensland's regions are rich in resources and potential. By ensuring development in every region, the state can harness its full economic potential.

Already, multiple regions, including the Gold Coast, Cairns, Townsville and the Sunshine Coast, have secured training venues and event co-hosting, as part of a considered strategy to hold sporting events across some of Queensland's most attractive locations. Despite this, only 18.3% of Queensland businesses say they are confident they will benefit from the Games<sup>11</sup>.

As well as the influx of investment that accompanies travel, tourism and Games attendance, offering regional businesses equal access to opportunities will further deliver a strong legacy through employment, infrastructure and industry.

This will be achieved through commitments such as the inclusion of regional businesses in supply chain contracts and education on global trade opportunities.

Such a strong regional focus will deliver improved liveability, economic resilience and sustainability – for now and for the future.

*77.1% of businesses agree it is important the regions benefit from the Olympics<sup>12</sup>.*

#### Recommendations:

- Economic benefits and opportunities that flow from the Games must be extended to all corners of Queensland through targeted investment in regional connectivity and support for businesses to realise and access economic benefits during the Olympics and beyond.
- Partner with industry to build business capability and measure legacy impact (see capability and readiness and procurement)

## Investment attraction

Businesses tell us it's hard to **work with government**. This can be enhanced with regulation reform, increased government efficiency and improve payment times and on-time payments.

### Regulatory burden

Across the business community, businesses in all industries, including tourism, tell us regulatory burden and government inefficiencies stifles business growth, innovation, investment and competitiveness.

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<sup>11</sup> Business Chamber Queensland, *2024 Queensland State Election Business Blueprint*

<sup>12</sup> Business Chamber Queensland, *Beyond 2032*

The median cost of complying with inefficient government regulation in Queensland doubled in the two years to 2023, to \$50,000<sup>13</sup>. Businesses are, on average, employing a full-time employee to manage regulation<sup>6</sup>. Reducing regulatory burden and ensuring regulations are streamlined, efficient, and supportive of business needs is essential.

Business Chamber Queensland acknowledges the government's early efforts to reduce red tape. This includes refocusing the Small Business Commissioner on red tape reduction, gathering feedback from the broader chamber network through the Minister for Open Data and Customer Service and the Minister for Small and Family Business, establishing a Local Government Red Tape Reduction Taskforce, and launching the Building Reg Reno initiative. These measures are important steps towards improving efficiencies across key sectors. However, it is essential reform is coordinated to maximise benefits and ensure consistency across the whole-of-government experience.

Business Chamber Queensland has been leading this significant issue for more than a decade, and working with all levels of government to not only highlight the impact inefficient regulation has on business but to identify opportunities for reform. Since 2009, we have been conducting a Red Tape Survey every two years to understand the impact of inefficient regulation and requirements on Queensland businesses and to track changes to the burden of regulatory compliance. We will continue leading this research in 2025 and beyond and sharing these insights with all parts of government, particularly the Productivity Commission.

*More than 70% of businesses we surveyed (72.27%) said reducing regulatory burden would positively or very positively impact their business, and more than half (56.48%) said it should be a high or critical budget priority.*

*Regulatory burden also impacts productivity with 54.01% of businesses saying the burden and cost of regulation had a high or critical impact<sup>14</sup>.*

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<sup>13</sup> Business Chamber Queensland, *2023 Efficient Regulation Report*

<sup>14</sup> Business Chamber Queensland, *2024 December quarter Pulse Report*



#### Recommendations:

- Commit to a series of key measures to reduce regulatory burden to directly support Queensland businesses, including:
  - Communicating and consulting with businesses when developing new regulations.
  - Engaging with industry to ensure a full regulatory impact statement for each new piece of legislation.
  - Reducing regulation duplication between levels of government and across state departments.
  - Reducing the frequency of reporting requirements to a minimum.
  - Reducing the amount of information requested to a minimum.
  - Providing a single location for all regulatory information and announcements.
  - Committing to one central economic agency that drives regulatory reform.
  - Implementing pre-populated forms and reports and establishing reliable electronic and web-based reporting.
  - Amending regulation release so businesses can prepare and be compliant.
- Continue to work with Business Chamber Queensland in forming the Productivity Commission to ensure it is enabled to review ways to reduce the cost of doing business, address regulatory burden, lift workforce productivity and support business innovation and resilience, including consulting with industry to provide the Productivity Commission with expertise in reducing business costs, addressing regulatory burdens, and enhancing innovation and resilience.

#### **Government efficiency**

Streamlining bureaucratic processes and adopting digital transformation initiatives are critical steps in reducing the administrative burden on businesses and fostering a more agile, business-friendly environment to enhance productivity.

#### Recommendations:

- Accelerate the digitalisation of government services, making it easier for businesses to interact with the government.
- Implement a program of digital transformation to streamline government processes.
- Partner with Business Chamber Queensland to initiate a program that enhances the government's understanding of business needs, improving the quality of engagement between the public and private sectors and fostering a more supportive business environment.

#### **Improve payment times and on-time payments**

Cash is king for all businesses. Timely payments are essential for businesses to meet financial obligations, avoid debt and maintain business operations. Small businesses have positively responded to the government's commitment to reducing payment times, which is critical to addressing cash flow issues. However, leadership is needed to extend these guarantees to a broader range of businesses, as cash flow challenges impact businesses of all sizes. Expanding the On-Time Payment Policy to include all businesses and introducing a penalty interest system for overdue payments would set a new standard for supporting business liquidity and provide certainty to businesses that supply to the government.

*More than 40% (44.92%) of businesses surveyed said reducing payment timeframes and improving on-time payments would positively or very positively impact their business and 32.77% of businesses believe these measures should be a high or critical budget priority<sup>15</sup>.*

Recommendation:

- Extend the On-Time Payment Policy to include all businesses and introduce penalty interest on unpaid invoices to all businesses.

## Tourism experience development

Tourism experience development is dependent on **initiatives that build business capability**, especially through sustainability (see eco-tourism), **workforce and skills development**, increased productivity and innovation and digital connectivity to allow tourism businesses to realise the future economic and tourism business potential.

### Digital connectivity infrastructure

Digitisation fuels business growth in Queensland, yet digital connectivity is inadequate. Regional businesses struggle due to limited high-speed internet access, hindering their participation in broader markets and limiting equitable participation in local and global digital markets. Our research shows poor internet access disrupts 21.4% of businesses' daily operations<sup>16</sup>. Addressing disparities in digital literacy and accessibility ensures equitable growth and empowers businesses to adopt innovative technologies effectively. Initiatives to enhance productivity must focus on digital-first strategies, foster innovation, and build business capability.

Additionally, a digital, AI and cyber resilience capability building program will equip businesses with the necessary resources to protect their digital assets, ensuring continued operation and business growth in an increasingly digitalised economy (see digital and cyber capability).

*45.6% of businesses surveyed said they considered telecommunications infrastructure a major or critical concern for their business. Additionally, 22% said they experienced poor internet connectivity very often, and 7% reported they always experienced poor connectivity. The majority of impacted businesses (76%) operate in regional areas<sup>17</sup>.*

Recommendations:

- Identify priority projects for telecommunications infrastructure upgrades by seeking input from industry, councils, and communities.
- Invest in high-speed internet and digital infrastructure, focusing on regional areas with inadequate digital connectivity to improve connectivity and enhance digital opportunities.
- Invest in raising business awareness and connect businesses with available digital infrastructure.

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<sup>15</sup> Business Chamber Queensland, 2024 December quarter Pulse Report

<sup>16</sup> Business Chamber Queensland, 2024 Digital Future of Work Report

<sup>17</sup> Business Chamber Queensland, 2024 Digital Future of Work Report

## Fostering innovation

Businesses tell us they are working harder but not seeing the productivity outcomes to match. High costs, restrictive workforce and regulatory environments, weak consumer confidence, and weak profitability compound to put pressure on business productivity. Overall, it's taking businesses more to do less. More than two thirds of businesses told us in 2024 they're concerned about economic productivity<sup>18</sup>. Productive businesses that are supported and incentivised to innovate will position Queensland as a global leader in key industries and be sustainable, competitive, and viable in the long term.

The government's commitment to opening regional innovation hubs is welcome, however, it is essential to work with Business Chamber Queensland and other stakeholders to ensure funding is targeted to effectively support industry needs. With unparalleled industry insights, we are well-placed to guide the prioritisation of resources for maximum impact.

### Recommendations:

- Leverage Business Chamber Queensland's industry insights to implement best practice supports and deliver regional innovation hubs reflective of industry needs.
- Invest in business growth measures such as grants for innovation, subsidies for workforce training and incentives for expanding into new markets, and ready businesses to capitalise on grant opportunities relevant to business capacity and needs.

## Workforce

Workforce challenges, including attracting and retaining skilled staff, direct and indirect wage costs and managing a complex and changing regulatory environment are among the most significant and persistent constraints on business growth<sup>19</sup>. We know tourism industry businesses are especially impacted by workforce constraints and restrictions.

At a time when many businesses, particularly small and medium, are already challenged by weak business conditions and significant time and financial costs to comply with regulations, support for hiring, managing, training, and retaining workforces is critical.

Business Chamber Queensland's Workforce Evolve program, delivered in partnership with the Queensland Government, has responded to this critical issue by helping businesses develop capability and evolve hiring and retention strategies to build fit-for-purpose and future-ready workforces. The program has already helped 30 tourism businesses to access diverse and future-ready workforces.

Workforce Evolve also directly supports increased workforce participation among under-represented groups in the community and helps businesses in regional areas, with access to a smaller talent pool, get the most out of their local workforce. Workforce Evolve provides specific workforce support to enhance outcomes from wider government employment services, disability employment, NDIS, and skilled migrant programs.

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<sup>18</sup> Business Chamber Queensland, *2024 State Election Business Blueprint*

<sup>19</sup> Business Chamber Queensland, *2023-2024 Pulse Reports*

*Since 2023, Workforce Evolve has supported more than 1,000 businesses through online training, tailored one-on-one coaching, and/or practical tools and resources spanning the entire lifecycle of a workforce, including:*

*Workforce planning  
Recruitment processes  
Diversity and inclusion strategies  
Employment legislation  
Professional development*

*When surveyed, more than 70% of Workforce Evolve participants said the program provided them with the resources they needed to improve their workplace relations knowledge, create or enhance talent attraction and retention practices and appeal to a broader range of workers. Businesses have also told us Workforce Evolve gives them not just the knowledge but the confidence to employ people from diverse backgrounds. More than 85% of participants intend to make changes to incorporate diversity and inclusion in their workplaces after engaging with the program, enabling Queensland to cultivate a dynamic workforce that reflects its diverse population and meets the requirements of the future of work<sup>20</sup>.*

#### Recommendations:

- Link business and workforce outcomes by facilitating partnerships between the government employment and disability employment service providers and Business Chamber Queensland to deliver Workforce Evolve.
- Partner with Business Chamber Queensland to expand the Workforce Evolve program.

#### **Workforce constraints**

Businesses need support to navigate and manage an increasingly complex regulatory environment, particularly in regard to human and industrial relations. Our most recent Efficient Regulation Report shows businesses reported regulation associated with employing people as the most significant regulatory cost to their operations<sup>21</sup>. When many businesses are already struggling with weak business conditions, a tight employment market and significant time and financial costs to comply with regulation, support to manage workforces is critical. Businesses must be the forefront of regulatory and legislative changes that impact their day-to-day operations and potentially harm productivity through cost and complexities.

The evolving Workplace Health and Safety framework places increasing obligations on employers to manage psychosocial risks, such as workplace stress, role conflict, and job demands, which can significantly impact employee wellbeing and business performance. While large organisations often have the resources to navigate these complexities, small and medium businesses frequently lack access to expert guidance and tailored solutions, putting them at a heightened risk of non-compliance and potential legal and financial repercussions.

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<sup>20</sup> Business Chamber Queensland, *Workforce Evolve, 2024 participant survey*

<sup>21</sup> Business Chamber Queensland, *2023 Efficient Regulation Report*

Furthermore, the current tools provided by the Federal Government, such as the People at Work survey, only support businesses with 20 or more employees, which means there is a significant gap for small businesses. These small businesses require a specialised consulting service that provides bespoke, business-contextualised risk mitigation strategies to ensure they meet psychosocial hazard legislation and protect their workforce. By addressing these risks proactively, businesses can foster safer, healthier, and more productive work environments, ultimately contributing to a more resilient workforce.

*Close to half of all businesses surveyed (46.53%) identified compliance and complexity associated with IR laws as a major or critical constraint on their business growth<sup>22</sup>.*

#### Recommendations:

- Remove regulatory duplication between State and Federal IR laws to reduce complexity and overlap.
- Establish a dedicated State-Federal Government Industry Consultation Taskforce to enhance collaboration and mitigate the impact of IR reforms on employers.
- Continue to invest in direct support methods to ensure businesses can understand and manage new HR and IR laws. Business Chamber Queensland is best placed to offer this HR and IR support in a similar and expanded method to other information and advisory services the Chamber already provides on behalf of government.
- Fund Business Chamber Queensland to support small businesses with 20 employees or less, particularly those in regional and high-risk industries, in navigating and implementing the new psychosocial hazard legislation.

#### Training quality and accessibility

It is critical to prioritise relevant and work ready programs to deliver a mix of targeted training programs to meet specific business, region, and market needs and keep up with industry advancements. Improving training quality and accessibility can unlock future workforce needs.

*67.3% of Queensland businesses have major concerns about recruiting employees with appropriate skills<sup>23</sup>.*

#### Recommendations:

- Partner with skills councils and industry leaders to co-design and fast-track curriculum and training package updates to keep pace with industry advancements.
- Work with professional bodies and skills councils to ensure appropriate skills mapping and recognition of overseas qualifications to significantly fast track skilled migrants' ability to be professionally recognised in their industry.

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<sup>22</sup> Business Chamber Queensland, 2024 December quarter Pulse Report

<sup>23</sup> Business Chamber Queensland, 2024 State Election Business Blueprint

## Fund and enable skills development

Building sustainable and future-ready workforces will allow Queensland businesses to capitalise on opportunities over the next decade and beyond. This requires investment in skills that will allow businesses to meet their ongoing and future workforce needs. A skilled and adaptable workforce is essential for Queensland's economic success. Queensland must prioritise education and skills development to remain competitive on the local, national and global stage, ensuring businesses have access to the talent they need to thrive.

*More than half of all businesses surveyed (51.48%) identified skills shortages and a lack of skilled workers as having a high or critical impact on their productivity growth over the past five years. In addition, 54.23% of businesses said retaining and recruiting suitably qualified employees was a major or critical constraint on their business growth<sup>24</sup>.*

Recommendations:

- Increase support for apprenticeships and traineeships, particularly in sectors facing skills shortages, including financial incentives for businesses to hire and train apprentices, and streamlined processes for recognising overseas qualifications.
- Provide funding support for partnerships between industry and educational institutions to ensure training programs are relevant and effective, creating a pipeline of skilled workers.

## Workforce mobility

Improved workforce mobility addressed skills mismatches, and enhanced relocation and upskilling programs that meet industry needs can unlock future-ready workforces across the state. Increased regional investment can stimulate local economies, creating more opportunities for workers and businesses. However regional communities often struggle to find the right skills to fill positions, which limits their ability to fully capitalise on growth opportunities.

Recruitment initiatives should focus on attracting and retaining skilled workers by offering incentives for businesses to promote continuous learning, development, and upskilling, particularly in high-demand sectors.

*More than half of businesses we surveyed said support for growing workforces would have a positive or very positive impact on their business<sup>25</sup>.*

Recommendations:

- Facilitate geographic mobility, address skills mismatch and enhance existing relocation and upskilling programs.
- Enhance recruitment initiatives to attract and retain skilled workers in Queensland by providing incentives for businesses that promote continuous learning, development, and upskilling for employees, particularly in high-demand sectors.

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<sup>24</sup> Business Chamber Queensland, 2024 December quarter Pulse Report

<sup>25</sup> Business Chamber Queensland, 2024 December quarter Pulse Report

## Events delivery

The **government has an important role to ensure large events are successful and sustainable**, and the local businesses who help deliver them have a positive and lasting benefit. This government role includes delivering effective procurement policy with reduced payment times, reforming regulatory burden and committing to efficient service delivery to **benefit businesses and communities** (see 2032 Games legacy).

## Access and connectivity

Tourism business rely heavily on infrastructure development that is responsive to business and community needs; especially critical given Queensland's geographical dislocation. This infrastructure must create connection and deliver longstanding, multifunctional benefits to local and visiting communities and businesses in the service of critical focuses such as economic sustainability, infrastructure resilience and public transport viability.

Appropriately targeted infrastructure investment will support economic sustainability, infrastructure resilience, and public **transport viability**, and will serve as a foundation for enduring benefits for our communities.

Transport and connectivity infrastructure investment must be utilised with a long-term view to ensure strong business outcomes long term.

### Business enabling infrastructure

Regional business communities see state, national, and global economic opportunities, like the 2032 Olympic and Paralympic Games, as the chance for local businesses to participate and benefit. Balanced business enabling infrastructure development will allow businesses across the state to participant and benefit from long-term legacy infrastructure. At the same time, our regional Queensland consultations highlighted shared challenges in transport as barriers to business.

While the Brisbane Metro and Cross River Rail bolster CBD transport, Southeast Queensland's (SEQ) rapid growth poses challenges. Increased rail frequency strains local roads, hindering business logistics. Open-level rail crossings exacerbate congestion, impacting productivity.

Emulating Victoria's successful fund model can resolve these issues, improving transportation efficiency. This strategic approach would streamline logistics, enhancing business productivity and stimulating economic growth. Upgrading road infrastructure is vital for SEQ's economic resilience and our World City status, particularly with the upcoming 2032 Olympic Games.

### Recommendations:

- Develop a business enabling infrastructure and transport plan that addresses regional and workforce needs.
- Remove open-level rail crossings in SEQ and invest in road and rail infrastructure for urban and regional growth and connectivity.
- Prioritise investment in transport networks, especially in high-traffic areas and regional zones.