CONFIDENTIAL DISCUSSION PAPER

Multinational Business Council Feedback Following The Australian Economic Outlook Forum

Submitted to the Office of the Prime Minister

Prepared by: Abundium Multinational Business Council
Date: June 2026

Foreword

Australia has an extraordinary opportunity to leverage multinational businesses as a driver of productivity, innovation, investment and economic growth.

The leaders represented through the Abundium Multinational Business Council oversee Australian operations that connect directly into some of the world's largest pools of capital, technology, talent and expertise. These businesses employ around one million Australians, contribute approximately 20 per cent of industry value added, account for close to 30 per cent of corporate tax paid and undertake almost half of all business research and development activity.

Following the Prime Minister's address at *The Australian Economic Outlook Forum* on 5 June 2026, the Council sought immediate feedback from senior multinational business leaders in attendance.

The purpose was not to assess political performance, but rather to understand how Australia's economic outlook, policy settings and competitiveness are being viewed by those responsible for advocating for Australia within global organisations and competing internally for future investment allocations.

This paper summarises that feedback and is provided in the spirit of constructive engagement. The intent is not criticism of government, but contribution to the shared objective of improving Australia's competitiveness, productivity and long-term prosperity.

Rich Hirst
Co-Chair
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Executive Summary

The discussion following the Prime Minister's address at *The Australian Economic Outlook Forum* revealed strong support for Australia's long-term potential, but also growing concern that current policy settings are diminishing Australia's competitiveness relative to other investment destinations.

The message from participants was clear:

Australia remains an attractive place to invest, but it is becoming increasingly difficult to advocate for Australia within global investment allocation processes.

Participants consistently identified regulatory complexity, productivity challenges, investment competitiveness and the pace of technology adoption as key areas requiring attention.

The feedback also highlighted significant concern regarding Australia's ability to compete internationally for future capital investment, particularly as other economies move aggressively to attract investment, accelerate approvals, adopt new technologies and improve productivity.

The Council believes these findings present an opportunity for constructive engagement between government and the multinational business community to ensure Australia remains one of the world's most attractive destinations for investment and growth.

About the Multinational Business Council

The Abundium Multinational Business Council was established to provide a collective voice for multinational businesses operating in Australia.

Australia is home to approximately 10,000 multinational companies. These businesses play a critical role in the national economy through employment, investment, innovation, technology transfer and productivity enhancement.

Collectively, multinational businesses:

- Employ approximately one million Australians.
- Contribute around 20 per cent of industry value added.
- Account for close to 30 per cent of corporate tax paid.
- Undertake almost half of all business R&D expenditure.
- Bring global capital, technology, expertise and international best practice into Australia.

The Council's objective is to ensure these perspectives are considered as Australia develops policies that support productivity, investment and economic growth.

Key Findings

1. Confidence in Promoting Australia Has Weakened

Participants were asked how their confidence has changed in championing Australia to global headquarters based on what you heard today from the Prime Minister and the recent Federal Budget?

The results indicate a clear deterioration in sentiment among a significant proportion of attendees.

Response	Result
Significantly less confident	18%
Less confident	26%
About the same	47%
More confident	9%
Significantly more confident	0%

Overall:

- **44 per cent became less confident**
- **9 per cent became more confident**

While almost half reported no change in confidence, the gap between positive and negative sentiment suggests concern that Australia's competitiveness is not improving relative to other jurisdictions competing for global capital.

2. Regulation Has Become the Leading Competitiveness Concern

Participants were also asked *which reforms would have the greatest impact on their confidence to invest and grow in Australia*.

The results were:

Reform Area	Result
Reducing regulatory and compliance burden	33%
Tax reform and competitiveness	20%
Skills and migration reform	17%
Energy affordability and reliability	17%
Faster planning and project approvals	10%
Greater policy certainty	3%

Reducing regulatory burden emerged as the strongest priority.

Across both polling and discussion, participants repeatedly highlighted concerns regarding:

- Duplication between Federal and State Governments.
- Compliance requirements that continue to expand.
- Lengthy approval processes.
- Administrative burdens that divert resources away from productive investment.
- Reduced flexibility and increased costs associated with regulatory obligations.

Many participants expressed the view that Australia has become increasingly complex to operate within compared to competing investment destinations.

3. Productivity Remains the Central Economic Challenge

Participants broadly welcomed the Prime Minister's focus on productivity.

However, there was widespread concern that the current policy framework does not sufficiently address the underlying drivers of Australia's productivity challenge.

Key themes included:

- Slow adoption of artificial intelligence.
- Delays in technology implementation.
- Skills shortages across critical sectors.
- Constraints on business investment.
- Growing administrative and compliance workloads.
- Infrastructure and energy limitations.

Participants consistently raised that productivity growth requires both government and business to embrace technology, innovation and reform at a significantly faster pace.

4. Australia Risks Falling Behind in the Competition for Global Capital

One of the strongest themes emerging from the discussion was the increasingly competitive global market for investment.

Multinational companies continuously compare jurisdictions when making investment decisions.

Participants acknowledged Australia's strengths, including:

- Political stability.
- Skilled workforce.
- Strong institutions.
- Natural resources.
- Strategic location within the Asia-Pacific region.

However, many expressed concern that Australia is becoming less competitive relative to other markets actively pursuing investment through:

- Simpler regulatory systems.
- Faster approvals.
- More competitive tax settings.
- Greater support for innovation.
- Faster adoption of emerging technologies.

A recurring concern was that Australia risks assuming investment will continue to flow naturally rather than actively competing for it.

5. Artificial Intelligence Is Viewed as a Major Opportunity

Artificial intelligence emerged as a recurring theme throughout the discussion.

Participants highlighted the potential for AI to become one of the most significant drivers of productivity growth over the coming decade.

Key issues raised included:

- Accelerating AI adoption across government and industry.
- Improving access to specialised AI talent.
- Building sovereign capability in strategic technologies.
- Investing in digital infrastructure and computing capacity.
- Encouraging innovation and commercialisation.

Several participants questioned whether Australia is moving quickly enough to capture the economic opportunities associated with AI and advanced technologies.

Recommendations

The Council recognises that Government is already engaged in a number of reform areas relevant to productivity, investment, regulation, approvals and technology adoption.

However, the feedback from multinational business leaders indicates that current efforts are not yet being felt strongly enough by those responsible for making, attracting and advocating for major investment decisions.

The issue is not whether these matters are on the policy agenda. The issue is whether action is being delivered with sufficient urgency, coordination and practical impact to improve Australia's competitiveness.

The Abundium Multinational Business Council recommends immediate focus on the following priorities.

1. Establish a Clear National Competitiveness Agenda

Australia requires a more explicit national competitiveness agenda that brings together productivity growth, foreign investment attraction, technology adoption, innovation and regulatory reform.

While these issues are often addressed separately, multinational businesses assess Australia as a whole when making investment decisions.

A more coordinated approach would help ensure policy decisions are tested against a clear question: **does this improve Australia's ability to compete for global capital, talent and investment?**

2. Deliver Measurable Reductions in Regulatory Complexity

Regulatory burden emerged as the leading concern for multinational business leaders.

The priority is not another review unless it leads to measurable reductions in duplication, compliance cost, approval delays and administrative burden.

Business needs to see practical change in the time, cost and complexity of operating in Australia, particularly where overlapping Federal and State requirements are reducing flexibility and diverting resources away from productive investment.

3. Accelerate Approval and Investment Pathways

Australia must move faster in the assessment and approval of major investment opportunities, strategic industry projects, advanced manufacturing, critical infrastructure and technology-related investment.

Other jurisdictions are actively competing for capital by offering greater speed, certainty and coordination.

If Australia's approval systems remain slower or more complex than competitor markets, global investment will increasingly be directed elsewhere.

4. Move Faster on AI and Technology Adoption

Artificial intelligence and advanced technologies represent one of Australia's most significant productivity opportunities.

The challenge is not simply to develop strategies, but to accelerate adoption across government and industry, improve access to specialised talent, support commercialisation and ensure digital infrastructure keeps pace with global competitors.

Australia cannot afford to treat AI as a future opportunity while competitor economies are already moving to embed it as a productivity driver.

5. Apply an Investment Competitiveness Test to Future Policy

Future policy decisions should be assessed against their impact on investment attraction, productivity, innovation and international competitiveness.

Australia should actively benchmark itself against competing investment destinations and identify where domestic policy settings make it harder to attract global capital.

The objective should be to ensure Australia is not only a stable and attractive place to invest, but one of the easiest major developed economies in which to deploy capital, scale operations and grow.

Closing Remarks

The Abundium Multinational Business Council welcomes the Prime Minister's willingness to engage directly with business leaders and appreciates the opportunity to participate in *The Australian Economic Outlook Forum*.

The feedback contained in this paper should not be interpreted as opposition to reform.

Rather, it reflects a strong desire from multinational businesses to work constructively with government to ensure Australia remains one of the world's most attractive destinations for investment, innovation and growth.

Australia possesses extraordinary strengths and opportunities.

The challenge identified by business leaders is ensuring policy settings allow the nation to fully realise those advantages in an increasingly competitive global economy.

The Council looks forward to continuing engagement with the Government and contributing practical ideas that strengthen Australia's competitiveness, productivity and prosperity.

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