Business Leader Response to the 2026 Federal Budget

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Foreword

Australia's long-term prosperity depends on its ability to attract investment, improve productivity and remain competitive in an increasingly contested global economy.

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.

Collectively, multinational businesses operating in Australia 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 and undertake almost half of all business research and development activity.

The decisions made by these organisations influence investment, innovation, productivity and economic growth across virtually every sector of the Australian economy.

Following the 2026 Federal Budget, Abundium surveyed 224 leaders representing 84 global companies operating in Australia. Participants included CEOs, CFOs, C-suite executives and emerging leaders from organisations spanning healthcare, technology, manufacturing, infrastructure, professional services and financial services.

The purpose of this survey was not to understand how Australia's competitiveness, productivity and investment environment are being viewed by those responsible for advocating for Australia within global organisations and competing internally for future investment allocations.

The Government has rightly identified productivity, economic resilience, housing affordability and intergenerational opportunity as critical national priorities.

The feedback contained in this paper suggests broad support for those objectives. However, it also highlights concern that Australia may be missing opportunities to strengthen its competitiveness and attractiveness as a destination for global investment.

This paper summarises those perspectives and is provided in the spirit of constructive engagement.

Rich Hirst
Co-Chair
Abundium Multinational Business Council

Executive Summary

The survey findings indicate significant concern regarding Australia's future productivity performance, investment attractiveness and international competitiveness following the 2026 Federal Budget.

While respondents broadly supported the Government's objectives around economic growth, housing affordability and intergenerational opportunity, many questioned whether the Budget contained the structural reforms necessary to materially improve Australia's competitiveness or attractiveness as a destination for global investment.

The strongest finding was that 68 per cent of respondents did not believe the Budget would materially improve Australia's economic resilience or productivity.

When asked how the Budget would impact global companies investing in Australia, only 1 per cent believed it would improve Australia's investment attractiveness, while 25 per cent believed it would be detrimental or very detrimental. A further 55 per cent believed it would have little or no impact on investment decisions.

Beyond the quantitative findings, respondents consistently identified five areas where they believe further reform attention is required:

- Productivity growth
- Investment attraction
- Innovation and research and development
- Regulatory efficiency
- International competitiveness

A recurring theme was that the Budget represented a missed opportunity to pursue deeper structural reform aimed at strengthening Australia's long-term competitiveness.

The findings suggest business leaders are not seeking short-term stimulus or sector-specific support. Rather, they are calling for a clearer national competitiveness agenda focused on improving productivity, attracting investment, encouraging innovation and reducing barriers to growth.

This paper summarises those findings and highlights the key themes emerging from business leaders responsible for advocating for Australia within global organisations and competing internally for future investment allocations.

Why This Matters

The Government framed the Budget around intergenerational fairness, housing affordability and building a stronger economy for future generations.

Business leaders broadly support these objectives.
However, respondents consistently highlighted that each of these goals ultimately depends on productivity growth, private sector investment, innovation, global

competitiveness and Australia's ability to attract capital.

Many respondents questioned whether the Budget materially improved Australia's position relative to other jurisdictions competing aggressively for investment, talent and innovation.

This creates a practical policy challenge: how to ensure future reform settings better connect the Government's social and economic objectives with the investment, productivity and innovation required to deliver them.

Key Findings

Productivity and Economic Resilience

When asked whether the Budget measures were likely to improve Australia's economic resilience and productivity:

Response	**Result**
Not at all	50%
Slightly	18%
Moderately	12%
Likely	7%
Extremely likely	0%

Overall, 68 per cent of respondents indicated that the Budget was unlikely to materially improve productivity or economic resilience.

This was the strongest quantitative finding from the survey.

Investment Attractiveness

When asked how the Budget was likely to impact global companies investing in Australia:

Response	Result
Beneficial	1%
No likely impact	55%
Detrimental or very detrimental	25%

Respondents generally did not believe the Budget would materially improve Australia's attractiveness as a destination for global investment.
Several participants expressed concern that uncertainty around future tax and regulatory settings may weaken Australia's competitive position over time.

What Business Leaders Wanted To See

Participants were asked what additional reforms or measures they would have liked to see included in the Budget to improve Australia's global relevance and competitiveness.

Five themes emerged consistently.

1. Tax Reform and Investment Competitiveness

Respondents called for simpler, more competitive tax settings designed to encourage investment, innovation, and economic growth.

2. Innovation and Research & Development

Leaders consistently highlighted stronger innovation incentives, R&D support and technology investment as critical drivers of future productivity.

3. Regulatory Efficiency

Participants frequently referenced regulatory burden, compliance complexity and lengthy approvals as barriers to investment and growth.

4. Investment Attraction

Respondents called for policy settings that improve certainty, strengthen Australia's international competitiveness and support investment attraction.

5. Healthcare, Manufacturing and Technology

Sector leaders identified opportunities to strengthen Australia's competitiveness through healthcare innovation, advanced manufacturing capability and technology investment.

Representative Business Leader Feedback

Survey participants repeatedly referenced:

"Policies that grow the economic pie."

"Real tax reform."

"Quicker decision-making frameworks to get business moving."
"Tangible policies to attract, recognise and reward innovation."

A recurring theme was concern that Australia risks becoming less competitive relative to jurisdictions moving more aggressively to attract investment and support innovation.

Key Observations

The survey findings suggest business leaders support the Government's economic objectives but remain concerned that Australia risks losing competitiveness unless productivity, innovation and investment attraction become a greater focus of future reform efforts.

The strongest message emerging from respondents was not a call for short-term stimulus.

It was a call for a clearer long-term competitiveness agenda focused on productivity growth, investment attraction, innovation, regulatory efficiency, and international competitiveness.

Closing Remarks

The findings contained in this paper should not be interpreted as opposition to the Government's economic objectives.

To the contrary, respondents overwhelmingly support the ambition of building a more productive, resilient and prosperous Australia.

The concern expressed by many business leaders is whether current policy settings are sufficiently focused on the factors that increasingly determine economic success in a globally competitive environment: productivity growth, investment attraction, innovation, regulatory efficiency and competitiveness.

The perspectives captured in this paper come from leaders responsible for attracting investment, deploying capital, growing businesses and creating jobs in Australia. Their feedback reflects practical experience competing for investment within global organisations and observing how Australia compares to other jurisdictions seeking capital, talent and innovation.

Australia remains a highly attractive place to live, work and invest. However, competing jurisdictions are moving aggressively to attract capital, accelerate innovation, and improve productivity. Business leaders increasingly believe Australia must move with greater urgency if it is to maintain and strengthen its competitive position.

The strongest message emerging from respondents was not a call for short-term stimulus or industry-specific support.
It was a call for a clearer long-term competitiveness agenda — one that improves productivity, rewards innovation, attracts investment and reduces the barriers that make it harder for businesses to grow.

Abundium welcomes ongoing engagement with Treasury and looks forward to contributing the perspectives of global business leaders as Australia pursues its long-term economic objectives.

Rich Hirst
Co-Chair
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