



Manufacturing in Queensland

Manufacturing in Queensland is the draft report released by the Queensland Productivity Commission.

It outlines preliminary analysis, findings and recommendations to suggest policy reforms the Queensland Government can make to support a competitive manufacturing industry.

Download the draft report here: qpc.qld.gov.au/inquiries/manufacturing

Industry snapshot

Manufacturing in Queensland is strong and diverse, employing 169 000 workers and contributing around \$20 billion to the Queensland economy.

Manufacturing firms and their workers maintain competitiveness in state, national and global markets by using natural resources, leading-edge technology, superior design, high levels of efficiency or a strong customer service focus.

However, the sector's share of the state's economy has almost halved since 1989-90.



\$19.7
billion gross value added



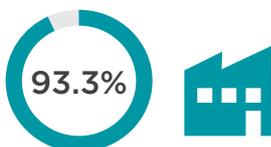
6.7%
Queensland economy



16,400
businesses



169,000
workers
(sixth largest employer)



small business
(<20 staff)



medium business
(20-199 staff)



large business
(200 or more staff)

An action plan for change

Presently, government policies and programs for manufacturing are fragmented and dispersed. The manufacturing sector is generally unaware of policies and what they aim to achieve. There is limited information to evaluate program effectiveness or value for money.

The Queensland Government can best support the manufacturing industry through broad-based policy reform in three key areas:

1 Address cost pressures

- Avoid further pressure on energy prices by ensuring energy policy and regulation are efficient.
- Create a competitive business environment through a more efficient tax system.
- Reduce costs on business and improve outcomes by reducing red tape through a stocktake review of regulations.

2 Increase productivity

- Lift the pool of workers with the right skills by revising the funding and structure of VET to provide the right incentives to providers, students and businesses.
- Expand competition for government procurement and improve value for money by simplifying the process.
- Support manufacturers, regions and workers, by improving adjustment assistance and removing barriers to labour mobility to assist workers to transition to new jobs.

3 Improve government programs

- Increase effectiveness and reduce administration costs by consolidating and simplifying innovation programs.
- Make it easier for businesses to locate and do business here by fixing investment facilitation to streamline government processes and offer comprehensive information to all businesses.
- Avoid providing attraction incentives to individual firms, but if provided, transparently report the costs and benefits.
- Deliberately track, manage and measure the performance of programs.

More feedback is needed

The draft report released is just that—a draft to elicit feedback.

The Commission is seeking feedback on the draft report recommendations, as well as further evidence on innovation in Queensland, management skills, red tape and ways to help older, lower-skilled workers adjust to changes.

Stakeholders from all sectors—including industry, unions, government and academia—have until 6 September 2017 to respond to the draft report.

Submissions can be made here: qpc.qld.gov.au/inquiries/manufacturing/

Note: **Submissions will be treated as public documents and published on the Commission's website.** If your submission contains genuinely confidential information, please provide the confidential material in a clearly marked separate attachment.

Final report

The Commission will submit its final report to the Queensland Government in October 2017. The government will then have six months to respond.



Find out more

Queensland Productivity Commission

PO Box 12112

George St Qld 4003

TEL 07 3015 5111

WEB qpc.qld.gov.au/inquiries/manufacturing