



**ARI** Australian  
Retailers  
Association



# **POLICY BLUEPRINT 2025:** Thriving Retail for a Prosperous Australia

# CONTENTS



**\$430B**

Value of retail economy

Source: ABS



**1.4M**

Australians work in retail

Source: ABS

Foreword	04
Priorities	05
<b>Embrace a Growth Mindset</b>	<b>07</b>
Federal Leadership to Enable National Harmonisation	08
Grow Small, Medium and Family-Owned Businesses	10
Increase Australia's Productivity Performance	12
Enable Healthy Competition	14
<b>Grow the Retail Workforce</b>	<b>17</b>
Address Ongoing Labour Shortages	18
Support Upskilling to Future-Proof the Workforce	20
Focus Workplace Reforms on Flexibility and Productivity	22
Unlock Economic and Social Gains Through Workforce Inclusion	24
<b>Collaborate on Community Outcomes</b>	<b>27</b>
Prioritise Retail Worker Safety by Reducing Retail Crime	28
Partner with Industry on Health and Nutrition Outcomes	30
Partner with Industry for a Circular Economy	32
Continue the Transition to a Low-Carbon Economy	34
Enhance Supply Chain Resilience	36

# FOREWORD

The Australian Retailers Association (ARA) and the National Retail Association (NRA) present this policy blueprint as a roadmap for strengthening the sector. It outlines key policy priorities to drive growth, improve workforce participation, and build a sustainable, resilient industry. We are calling on all political parties to commit to reforms that support the future of Australian retail, as well as the millions of workers and businesses that depend on its success.

Retail affects every Australian, and is a cornerstone of the national economy, contributing more than \$430 billion annually. Retail is Australia's largest private sector employer, employing over 1.4 million Australians and offering many Australians their first job, full-time careers or the opportunity to own their own business. The retail community serves millions of Australians every day, with retail stores and retail workers making a profound contribution to the health and vitality of local communities. Small to medium size businesses and family operators make up the majority of our sector.

Over the past five years, retailers have faced significant challenges – slowed consumer spending, rising business costs, labour shortages, a retail crime wave, supply chain disruptions and an intense government reform agenda. Despite these hurdles, Australian retailers have shown remarkable resilience. Now, the sector is primed for growth and is eager to collaborate with the next federal government to unlock its potential and drive broader economic success.

Retailers operate in a dynamic environment, adapting to changing consumer behaviours,

technological advancements, and global competition. However, regulatory complexity, rising costs, and workforce challenges threaten the sector's resilience and competitiveness. Amid the cost-of-living crisis, policies that reduce the cost of doing business are crucial to ensuring retailers can continue delivering value to consumers.

With a newly re-elected government, it's important that policymakers recognise retail's crucial role in fostering economic growth, employment, and community wellbeing. Government plays a key role in ensuring fair competition, stimulating investment, and supporting a business environment that helps retailers manage costs for Australian households. A policy framework that boosts business confidence, enhances productivity, and supports investment in workforce and innovation is essential. By reducing complexity, supporting job creation, and maintaining a fair, competitive environment, government and industry can ensure retail remains a strong, vibrant, and growing pillar of the economy.

This policy blueprint offers a strategic vision for a stronger retail sector that benefits businesses, workers, and consumers alike. We ask the re-elected government to adopt these policies as part of their commitments.

# PRIORITIES



## EMBRACE A GROWTH MINDSET

Given the important role that the retail sector plays in driving economic growth, we seek government policies that:

- Support the economic impact generated by the retail sector;
- Restore business confidence, particularly for small and medium businesses;
- Increase consumer confidence and disposable income;
- Apply downward pressure on business costs; and
- Reduce complexity by driving national alignment on state matters.



## GROW THE RETAIL WORKFORCE

To create more jobs and strengthen our position as Australia's largest private sector employer, we seek policies that:

- Drive productivity through a flexible workplace relations system;
- Support tripartite efforts to provide safe and inclusive workplaces;
- Connect people from diverse backgrounds with retail jobs;
- Co-invest in vocational training to upskill our sector; and
- Address residual vacancies and skills gaps through migration.



## COLLABORATE ON COMMUNITY OUTCOMES

To create a more resilient, sustainable and future-focused sector, we need to partner with government on policies that:

- Accelerate collaboration efforts to reduce instances of retail crime;
- Navigate cyber security and the responsible use of technology;
- Accelerate our transition to the low-carbon, circular economy;
- Improve resilience of the local and global supply chain; and
- Drive investment in community infrastructure.



# EMBRACE A GROWTH MINDSET



The Australian retail sector is a major contributor to the national economy, fostering business growth, job creation, and consumer access to essential goods and services. However, the industry is navigating increasing pressures, including rising operational costs, global competition, and regulatory fragmentation across states and territories.

To enable retail businesses to thrive, policymakers must prioritise economic policies that restore business confidence, promote investment, and encourage national consistency in regulation. A stable and predictable policy environment is essential to reducing business costs, allowing small and medium-sized retailers to grow and remain competitive in an evolving marketplace.

Addressing cost-of-doing-business challenges, streamlining compliance, and supporting productivity growth will enable retailers to invest in innovation and deliver greater value to Australian consumers.

Additionally, enabling healthy competition while ensuring a level playing field is critical, particularly in the face of ultra-low-cost international e-commerce platforms that leverage regulatory gaps to gain an unfair advantage over Australian businesses.

**The ARA and NRA call on the re-elected government to acknowledge the significant role retail plays in the economy, and to commit to policies that strengthen the sector, protect jobs, and ensure long-term prosperity for businesses and the communities they**

## Policy Recommendations

Federal Leadership to Enable National Harmonisation .....	Pg. 8
Grow Small, Medium and Family-Owned Businesses .....	Pg. 10
Increase Australia's Productivity Performance .....	Pg. 12
Enable Healthy Competition .....	Pg. 14

# Federal Leadership to Enable National Harmonisation

## Where are we now?

Australia's retail sector faces a fragmented and complex regulatory environment across federal, state, and territory governments. This fragmentation creates inefficiencies, increases compliance costs, and stifles business growth. Regulatory inconsistencies place retailers at a competitive disadvantage, limit investment, and reduce productivity, disproportionately impacting small and medium enterprises (SMEs) that lack resources to navigate duplicative rules.

## Key Inconsistencies Include:

- **Payroll Tax:** Varying rates, thresholds, and systems create administrative burdens, discouraging job creation.
- **Retail Leasing:** Inconsistent laws raise compliance costs and limit dispute resolution, with SMEs facing greater challenges due to limited bargaining power.
- **Environmental Regulations:** Differing packaging standards, recycling schemes, and plastic bans complicate sustainability efforts and increase costs.
- **Freight & Transport:** Inconsistent road-use charges, delivery curfews, and axle limits hinder supply chain efficiency and raise costs.
- **Workplace Safety & Retail Crime:** Fragmented safety laws and uncoordinated responses to rising retail crime increase risks for businesses and workers.
- **Minimum Working Age Laws:** Varying age requirements complicate youth employment and administrative processes.

- **Food Advertising Standards:** State-based variations in food advertising regulations create confusion for businesses and increase compliance costs, particularly in the packaged food and quick-service restaurant sectors.
- **Trading Hours Regulation:** Discrepancies in trading hours laws across jurisdictions make it difficult for retailers to operate efficiently and meet consumer demand.
- **Workers' Compensation:** Retailers operating nationally face varying workers' compensation schemes, leading to inconsistent coverage, administrative burdens, and added costs.

These challenges increase operational costs, deter investment, and place upward pressure on consumer prices, further exacerbating cost-of-living pressures.

## Where do we need to get to?

Australia needs a nationally harmonised regulatory framework that reduces complexity, lowers costs, and fosters a competitive, sustainable retail sector. This framework should eliminate duplicative compliance requirements, reduce costs for businesses of all sizes, and provide regulatory certainty to encourage investment. It should also enhance workplace safety, environmental sustainability, and community outcomes while ensuring a level playing field for all businesses, regardless of their location. By harmonising key regulations, the government can empower retailers to create jobs, drive economic growth, and deliver greater value to consumers.

## How do we get there?

The ARA and NRA call for national regulatory reform to be prioritised for the retail sector through the revitalised National Competition Policy. The National Productivity Fund should be leveraged to incentivise and reward states and territories that actively reduce regulatory inconsistencies, driving productivity growth for the retail sector in the process.

Any national reform to improve harmonisation must address key areas of regulatory fragmentation:

1. **Payroll Tax Reform**
  - Align rates and systems nationwide; explore long-term feasibility of eliminating payroll tax due to its impact on employment and investment.
2. **Harmonised Retail Leasing Regulations**
  - Develop a consistent leasing framework that supports fair terms and effective dispute resolution, especially for SMEs.
3. **A Unified Environmental Regulatory Framework**
  - Consolidate and modernise outdated environmental laws by establishing a streamlined and effective regulatory framework, overseen by a committee responsible for ensuring alignment across states.
  - Create a National Waste Strategy that aligns state-based waste regulations, reducing inefficiencies and unnecessary compliance costs.
4. **Freight & Transport Harmonisation**
  - Standardise logistics and freight regulations across jurisdictions, including delivery curfews, axle weight limits, and road-use charges.
  - Address last-mile delivery restrictions and inconsistencies that increase supply chain costs.
5. **National Law Enforcement Standards for Retail Crime & Workplace Safety**
  - Implement a standardised retail crime response model across jurisdictions, including coordinated intelligence-sharing on organised retail crime.
  - Develop a national approach to workplace safety, including protections against customer aggression and sexual harassment in retail settings.
6. **National Food Advertising Standards**
  - Harmonise food advertising regulations across states to reduce inconsistencies in marketing restrictions and labelling requirements.
  - Ensure compliance is balanced with industry-led self-regulation efforts.
7. **A Consistent National Minimum Working Age**
  - Establish a uniform minimum working age across all states and territories to simplify employment pathways for young workers.
8. **Trading Hours Reform**
  - Introduce national consistency in retail trading hours to support consumer access, business efficiency, and workforce stability.
9. **Workers' Compensation Alignment**
  - Streamline workers' compensation schemes across states to reduce cost and administrative burdens for national retailers.
  - Ensure consistent coverage and access to claims processes for employees.

By committing to structured, long-term regulatory harmonisation reform, the government can ensure Australian retailers are positioned for growth, investment, and job creation while maintaining strong consumer and worker protections.

# Grow Small, Medium and Family-Owned Businesses

## Where are we now?

Small, medium, and family-owned businesses are the backbone of Australia's \$430 billion retail sector, driving local economies and providing essential employment. However, SMEs face mounting financial pressures from rising regulatory costs, compliance burdens and operating expenses, leading to an increase in business closures and insolvencies.

Key challenges include disproportionate compliance costs compared to larger retailers, restrictive tax definitions limiting access to relief, uncertainty around investment incentives like the Instant Asset Write-Off (IAW), rising energy and operating costs, and gaps in access to affordable, industry-informed training programs. These factors constrain SME growth, making it difficult for businesses to expand, invest, or remain competitive.

Without targeted support, Australia risks a weaker, less diverse retail sector, reduced competition, and fewer job opportunities.

## Where do we need to get to?

Australia needs a resilient, growth-oriented SME sector with the financial flexibility and regulatory support to invest, innovate, and thrive. This includes broadening the SME tax definition to reflect modern business structures, reducing regulatory complexity through harmonisation of payroll tax thresholds and compliance reporting, and providing certainty for long-term investment with a legislated instant asset write-off. Sustained energy cost relief, stronger capability-building programs, and retail-specific insolvency support will help SMEs remain competitive and drive economic growth.



## How do we get there?

The ARA and NRA recommend a suite of policy measures to address these challenges and enable sustainable growth for SMEs. These include:

1. **Expand the SME Definition for Tax Purposes**
  - a. Increase the turnover threshold for the 25% small business tax rate from \$50 million to \$250 million.
  - b. Review tax settings to ensure global competitiveness and incentivise reinvestment.
2. **Make the Instant Asset Write-Off Permanent**
  - a. Make the IAW permanent to support long-term investment.
  - b. Increase the threshold to \$50,000 for businesses with turnovers up to \$50 million.
  - c. Allow full expensing for large productivity-enhancing capital investments (e.g., AI, automation, logistics).
3. **Support SME's with Energy Relief**
  - a. Gradually phase out the Energy Relief Bill fund by 2030 while supporting SMEs with rising costs.
  - b. Provide direct grants for energy-efficient technologies, battery storage, and smart energy systems.
  - c. Ensure SMEs access competitive energy contracts through simplified procurement schemes.
4. **Invest in SME Training and Capability**
  - a. Direct SME capability-building funding to industry associations, enabling tailored support in:
    - i. Digital transformation (e.g., e-commerce, AI integration, cybersecurity).
    - ii. Industrial relations (IR) compliance to navigate Australia's evolving workplace laws.
    - iii. Workplace Health & Safety (WH&S), including mental health initiatives to support SME employers and workers.
    - iv. Sustainability, helping SMEs understand complex technical requirements and trade-offs.
    - v. Cost-of-doing-business (CODB) training, helping SMEs build financial resilience and improve cash flow management.
5. **Enhance SME Financial Resilience & Growth Opportunities**
  - a. Introduce flexible tax repayment plans without penalty interest charges.
  - b. Expand government-backed financing for affordable working capital.
  - c. Establish retail-specific dispute resolution mechanisms for fair lease agreements and debt restructuring.
  - d. Strengthen SME financial advisory services, including debt helplines and mental health resources.
6. **Tackle Late Payments to Strengthen SME Cash Flow**
  - a. Review payment practices by large businesses to ensure faster payment terms for SMEs and explore stronger penalties for repeated delays.

The pressure on small businesses affects employment, local economies, and consumer prices. These reforms will help SMEs build financial resilience, maintain stability, and continue contributing to Australia's economy.

# Increase Australia's Productivity Performance

## Where are we now?

Australia's productivity growth has stagnated, marking its weakest gains in over 60 years. For the retail sector—employing 1 in 10 Australians and contributing \$430 billion to the economy—this slowdown has intensified operational challenges, increased costs, and reduced global competitiveness.

Key barriers include complex, outdated regulations like fragmented payroll tax systems and inconsistent environmental rules, labour market constraints with persistent skills shortages and restrictive industrial relations reforms, slow adoption of productivity-enhancing technologies such as AI and automation, and limited representation of the retail sector in national productivity programs like the National Productivity Fund.

Despite these challenges, retail can drive Australia's productivity revival through regulatory reform, workforce investment, and AI-driven innovation.

## Where do we need to get to?

Australia needs a modern, innovative, and highly efficient retail sector that strengthens economic performance. This requires streamlining regulations to reduce compliance costs, developing a national AI strategy that promotes adoption while safeguarding data privacy, investing in workforce skills, digital transformation, and supply chain resilience, and formally including retail in the National Productivity Fund to support investments in training, technology, and infrastructure.

By modernising regulations, accelerating digital adoption, and enhancing workforce capabilities, the government can unlock productivity growth, benefitting businesses, workers, and consumers.



## How do we get there?

The ARA and NRA recommend fostering healthy competition and ensuring a level-playing field through the following measures:

1. **Establish a Red Tape Reduction Taskforce**
  - a. Appoint a Minister for Productivity to lead a whole-of-government red-tape reduction taskforce.
  - b. Identify and eliminate unnecessary and duplicative regulations across:
    - i. Payroll tax (ensuring harmonisation across states).
    - ii. Environmental compliance frameworks (reducing inconsistencies in sustainability regulations).
    - iii. Planning and zoning laws (to allow for more retail investment and business growth).
  - c. Prioritise the removal of excessive reporting and compliance burdens on SMEs, enabling them to allocate resources towards innovation and productivity.
2. **Develop a National AI Strategy to Boost Productivity While Addressing Privacy & Trust Concerns**
  - a. Facilitate AI adoption in retail through a coordinated policy approach that addresses key barriers such as baseline digital literacy, AI awareness, data governance, and security.
  - b. Provide targeted AI incentives for small and medium retailers through digital transformation grants, tax incentives, and infrastructure funding support to ensure businesses of all sizes can effectively adopt AI technologies.
  - c. Establish national regulatory guardrails to ensure responsible AI deployment, aligning with global best practices on privacy, security, and ethical AI use in retail operations.
  - d. Review the Data Availability and Transparency Act to enable controlled and secure private sector access to government-collected data. This will support AI-driven business innovation, enhance supply chain efficiency, and drive new retail applications.
3. **Accelerate Digital Transformation & AI Adoption in Retail**
  - a. Expand access to technology investment programs to help retailers implement:
    - i. Automated checkout and inventory systems.
    - ii. AI-driven pricing and customer personalisation tools.
    - iii. Cybersecurity protections to prevent data breaches.
    - iv. AI-powered security solutions and theft prevention technologies to enhance crime deterrence and employee safety.

By implementing these measures, the government can unlock productivity growth in the retail sector, reduce operational inefficiencies, and ensure Australia remains competitive in a rapidly evolving global market.

# Enable Healthy Competition

## Where are we now?

The Australian retail sector faces growing pressure from ultra-low-cost international e-commerce platforms which disrupt the market with aggressive digital marketing, direct-to-consumer models, and tax-exempt pricing strategies. These practices create unfair competitive advantages over local businesses.

Key challenges include tax and regulatory loopholes exploited by offshore retailers, lack of supply chain transparency raising human rights and sustainability concerns, increasing consumer safety risks from non-compliant imported products, and high corporate tax rates limiting local business growth. Outdated merger regulations and rising operational costs, including energy, rent, wages, and compliance, further strain Australian retailers, particularly those with brick-and-mortar stores.

Without intervention, these issues will erode local business viability, reduce competition, and limit consumer choice.

## Where do we need to get to?

Australia needs a fair, innovation-driven retail sector where local businesses can compete on equal footing with global counterparts. This requires holding all retailers – domestic and international – to consistent standards for taxation, consumer safety, and supply chain transparency. Adopting global best practices for e-commerce regulation will ensure online platforms without domestic operations contribute fairly to the tax system. Reducing the corporate tax rate, modernising merger regulations, and lowering operational costs, particularly through affordable clean energy solutions, will foster a more competitive environment.

By closing regulatory gaps, reforming tax structures, and promoting investment, Australia can build a resilient retail sector that thrives in a global marketplace.



## How do we get there?

The ARA and NRA recommend driving productivity growth through the following measures:

1. **Implement policy solutions that close loopholes and strengthen safety standards from Ultra-Low-Cost E-Commerce Competitors**
  - a. Conduct a government-led consultation with retailers, regulators, and industry bodies to identify and close tax, regulatory, and compliance loopholes exploited by global e-commerce platforms.
  - b. Strengthen compliance of existing regulation to ensure all imported goods meet Australian safety, environmental, and ethical standards to protect consumers and local businesses.
  - c. Mandate supply chain transparency requirements for offshore retailers selling directly to Australian consumers, by amending the Modern Slavery Act 2018 (Cth) to include offshore retailers in its reporting obligations.
  - d. Australian consumers Strengthen GST enforcement to ensure global e-commerce platforms pay their fair share of tax and do not undercut local retailers through unfair exemptions.
2. **Reduce Corporate Tax to 25% in a Phased Approach**
  - a. Implement a phased reduction of the corporate tax rate from the current rate of 30%, towards a more internationally competitive rate of 25%, creating a fairer and more attractive tax environment for retailers.
3. **Introduce targeted tax incentives for Australian Businesses**
  - a. Introduce targeted tax incentives for Australian businesses investing in:
    - i. Productivity-enhancing technology (e.g., AI, automation, digital retail solutions).
    - ii. Workforce development and training.
    - iii. Sustainability and energy efficiency projects.
4. **Limit Merger Regulations to Support Responsible Business Growth**
  - a. Modernise Australia's merger laws to ensure competition policies promote market fairness while allowing Australian businesses to scale.
  - b. Introduce a retail-specific advisory group within the ACCC to ensure merger regulations reflect the realities of the evolving retail sector.
  - c. Encourage investment in Australian retail businesses, ensuring local enterprises can compete with global giants on a level playing field.
5. **Alleviate Cost-of-Doing-Business Pressures with a Focus on Affordable, Clean Energy**
  - a. Extend SME energy relief programs for three years to reduce operational costs for retailers facing rising power prices.
  - b. Expand government-backed grants and low-interest loans to support retail investment in solar, energy-efficient equipment, and battery storage solutions.
  - c. Introduce tax incentives for businesses adopting clean energy solutions to offset rising energy costs and lower long-term operating expenses.

Without action, Australian retailers will face an increasingly uneven playing field, burdened by tax loopholes, regulatory gaps, and rising operational costs. By closing these gaps, modernising competition laws, and reducing regulatory burdens, the government can support a vibrant, competitive, and globally resilient Australian retail sector.





# GROW THE RETAIL WORKFORCE



As Australia's largest private-sector employer, the retail industry plays a critical role in providing economic opportunities across metropolitan, regional, and remote communities. With over 1.4 million people directly employed and many more supported through supply chain roles, the sector is uniquely positioned to offer diverse and flexible career pathways.

However, retail faces persistent labour shortages, with over 32,000 vacancies recorded in late 2024, alongside growing skills gaps in customer service, logistics, digital technologies, and leadership roles. These shortages create barriers to both business growth and career progression.

To ensure a strong workforce pipeline, targeted policies must support workplace flexibility, industry-led training, and structured career development. Vocational education and upskilling programs are critical to preparing workers for the evolving retail landscape, particularly as new

technologies and business models transform the nature of retail work. Migration settings should also play a role in addressing persistent vacancies and skills shortages that cannot be met through domestic recruitment alone.

By fostering a workplace relations system that balances productivity with worker protections, strengthening training investment, and ensuring inclusive job opportunities for all Australians, the sector can continue to be a leading source of employment, career mobility, and economic participation.

**With the right support from government, the retail workforce will remain adaptable, future-ready, and capable of meeting the needs of a rapidly changing industry.**

## Policy Recommendations

Address Ongoing Labour Shortages .....	Pg. 18
Support Upskilling to Future-Proof the Workforce .....	Pg. 20
Focus Workplace Reforms on Flexibility and Productivity .....	Pg. 22
Unlock Economic and Social Gains Through Workforce Inclusion .....	Pg. 24

# Address Ongoing Labour Shortages

## Where are we now?

Whilst vacancies have reduced over time, the Australian retail sector continues to experience ongoing labour shortages, with over 32,000 vacancies recorded in late 2024. Skills shortages also persist in key roles, inhibiting business growth and viability. These shortages span various roles, including customer service, logistics, and digital technologies, hindering the sector's ability to operate efficiently and meet consumer demand.

Traditional policy measures, such as imposing caps and limits on migration, have contributed to these challenges. Additionally, underrepresented groups, including the long-term unemployed, older Australians, refugees, and other marginalised communities, remain underutilised in the retail workforce.

## Where do we need to get to?

To mitigate labour shortages and build a resilient retail workforce, it is essential to adopt a multifaceted approach. This includes leveraging migration by shifting the policy focus away from restrictive measures and recognising migration as a vital tool to fill critical roles within the retail sector. Engaging underrepresented groups is equally important, requiring collaboration with industry partners to create pathways that enable marginalised communities to enter and thrive in retail careers. Additionally, implementing core skills pathways by advocating for the inclusion of key retail roles in the Core Skills Occupation List (CSOL) and developing clear pathways to attract skilled migrants into these positions will help address workforce gaps and support the sector's long-term growth.



## How do we get there?

The ARA and NRA recommend the following initiatives to help address ongoing labour shortages:

1. **Revise Migration Policies**
  - a. Move away from restrictive migration caps and limits, and instead, implement policies that facilitate the entry of skilled migrants to address specific labour shortages in retail.
  - b. Ensure that essential retail positions are represented in the CSOL, enabling employers to sponsor skilled migrants for these roles.
2. **Foster Industry Collaboration**
  - a. Work with industry associations, training providers, and community organisations to design programs that integrate underrepresented groups into the retail workforce. Provide targeted AI incentives for small and medium retailers through digital transformation grants, tax incentives, and infrastructure funding support to ensure businesses of all sizes can effectively adopt AI technologies.
  - b. Provide mentorship, training, and support services to assist marginalised individuals in securing and retaining retail employment.
3. **Develop Core Skills Pathways**
  - a. Collaborate with Jobs and Skills Australia to identify critical retail roles and establish clear pathways for both domestic and migrant workers to acquire necessary skills.
  - b. Implement targeted training initiatives that align with the CSOL, ensuring that workers are equipped with the core skills required for retail positions.
  - c. Expand the Skills for Education and Employment (SEE) Program to include micro-credentials such as customer service and leadership training to address labour shortage and enhance career pathways for underrepresented groups.

Addressing labour shortages in the retail sector requires a multifaceted approach that embraces migration, engages underrepresented groups, and develops clear skills pathways. By implementing these strategies, we can build a diverse and resilient workforce capable of sustaining the retail industry's growth and contribution to the Australian economy.

# Support Upskilling to Future-Proof the Workforce

## Where are we now?

As Australia's largest private sector employer, the retail industry plays a vital role in training new workforce entrants. However, skills shortages, evolving technology, and shifting consumer behaviours are driving the need for stronger investment in workforce development to maintain competitiveness. While retailers are committed to upskilling, government investment in vocational education and training (VET) has lagged behind industry demands. Funding structures often favour TAFE over private Registered Training Organisations (RTOs), limiting access to flexible, high-quality training solutions tailored to business needs.

Declining financial support for apprenticeships and traineeships has also reduced completion rates, shrinking the pipeline of skilled workers in retail, supply chain, and emerging technology roles. Without targeted government support, the sector risks falling behind in key areas like logistics, digital commerce, and automation.

## Where do we need to get to?

Australia needs an accessible, industry-driven skills system that equips the workforce to meet future demands. This includes restoring investment in vocational training providers, including RTOs, to ensure businesses have access to training aligned with their needs. Expanding Free TAFE into a Free VET program covering all qualified providers will improve accessibility and industry alignment. Reinstating employer and apprentice incentives will boost enrolment and completion rates, while broadening workforce skills programs to include supply chain, digital, and technology-focused areas will ensure adaptability in a rapidly evolving landscape.

By achieving these goals, Australia can build a future-ready workforce equipped with the skills necessary to thrive in a technology-driven, customer-focused industry.



## How do we get there?

The ARA and NRA recommend the following measures to support the upskilling of the retail workforce:

- 1. Restore & Increase Investment in RTOs**
  - a. Ensure government funding supports all qualified training providers, not just TAFE, to improve training accessibility and alignment with employer needs.
  - b. Expand co-investment models between government, industry, and training providers to keep skills programs relevant and up-to-date.
- 2. Expand Free TAFE into a Free VET Program**
  - a. Broaden access to government-funded training programs by shifting from a TAFE-exclusive model to an all-provider Free VET program.
- 3. Reinstating Certificate III & IV Incentives to Boost Completion Rates**
  - a. Reintroduce employer incentives of \$2,500 per apprentice or trainee to encourage more businesses to invest in skills development.
  - b. Provide direct financial support of \$5,000 to apprentices and trainees to improve participation and incentivise completion.
- 4. Broaden Retail Workforce Skills Programs to Include Supply Chain & Technology**
  - a. Expand retail training pathways to cover supply chain management, digital transformation, and emerging retail technologies.
  - b. Ensure VET qualifications align with industry needs, including AI, automation, and cybersecurity skills.

A modern, adaptable skills system is essential to future-proofing the retail workforce. By restoring investment in vocational training, expanding funding beyond TAFE, and reinstating employer and apprentice incentives, the government can ensure retail employees are equipped to meet industry demands now and in the future. Collaboration between government, industry, and training providers will be key to maintaining retail as a major employer of skilled workers, supporting economic growth and career development opportunities for Australians.

# Focus Workplace Reforms on Flexibility and Productivity

## Where are we now?

The Australian retail sector, employing over 1.4 million people, depends on a balanced workplace relations system that supports job creation, business efficiency, and workforce development. However, recent and upcoming industrial relations (IR) reforms have increased compliance complexity, administrative burdens, and wage pressures, particularly for small and medium-sized retailers. Retailers are still grappling with onerous and complex obligations in the General Retail Industry Award (GRIA), and ongoing regulatory uncertainty risks undermining business confidence.

Fair wages are critical to a healthy workforce, but sustainable wage growth must be supported by improvements in how businesses operate – whether through better training, smarter scheduling, improved processes, or investments in technology that enhance efficiency. Currently, retailers face challenges such as outdated IR regulations that limit adaptability, increasing compliance costs that divert resources from workforce development, and rising wage costs that are not always matched by improvements in business efficiency. Without reform, Australia risks stagnant productivity growth, reduced job opportunities, and rising operational costs that ultimately affect businesses, workers, and consumers.

## Where do we need to get to?

Australia needs a modern workplace relations system that fosters business flexibility, workforce development, and sustainable wage growth. Productivity should be the foundation of wage increases, ensuring businesses can thrive without disproportionate cost burdens. Simplified compliance processes would allow retailers to invest more in training, technology, and innovation. A system that encourages industry-led reforms ensures policies are practical and tailored to the evolving needs of businesses and workers.

By aligning wage growth with productivity improvements, the retail sector can achieve a balance where higher wages reflect efficiency gains, benefiting both businesses and employees.

## How do we get there?

The ARA and NRA recommend the following measures:

1. **Align Wage Growth with Productivity Improvements**
  - a. Encourage retailers to invest in technology and automation, allowing businesses to increase wages through enhanced efficiency and job performance.
  - b. Ensure Fair Work policies balance wage growth with business sustainability, preventing inflationary pressures on retail prices and employment reductions.
2. **Reduce Industrial Relations Complexity to Free Up Business Investment**
  - a. Streamline the IR obligations, including those in the GRIA, to reduce compliance burdens for retailers.
  - b. Introduce simplified rostering and shift flexibility provisions, allowing businesses to better align workforce planning with consumer demand.
  - c. Conduct an independent review of regulatory duplication, with the goal of reducing unnecessary reporting obligations that divert resources away from workforce investment.

3. **Ensure Workplace Relations Laws Support Business Growth, Not Just Regulation**
  - a. Move towards a more responsive IR framework, ensuring that workplace policies enable retailers to adapt to economic shifts, rather than creating additional rigidity.
  - b. Protect casual, part-time, and shift-based work structures, recognising their importance in retail workforce flexibility and employment accessibility for students, parents, and secondary income earners.

A stable, productivity-driven workplace relations system is crucial for retailers to invest in their workforce, manage costs, and drive economic growth. By aligning wage growth with productivity, reducing regulatory burdens, and maintaining flexibility, the government can support a more competitive and resilient retail sector. Retailers need certainty and balanced workplace relations to operate efficiently while providing quality jobs for Australians.



# Unlock Economic and Social Gains Through Workforce Inclusion

## Where are we now?

The Australian retail sector is one of the most diverse industries. Retail offers accessible and flexible employment opportunities for women, First Nations Australians, people with disabilities, and those re-entering the workforce. However, participation gaps persist, limiting economic opportunities and reducing the talent pool. Women face lower lifetime superannuation savings due to career breaks and part-time work, while First Nations Australians encounter systemic employment barriers. People with disabilities remain underrepresented, despite their skills and willingness to work. Without targeted investment in participation programs, these inequalities will continue to impact economic and social outcomes.

Government support is essential to ensuring all Australians can access meaningful employment, build financial security, and contribute to the economy, with retail well-positioned to lead this change.

## Where do we need to get to?

Australia needs a fair and inclusive workforce where systemic barriers are dismantled, enabling full participation for underrepresented groups. This includes addressing the superannuation gender gap to prevent financial disadvantages for women, particularly mothers returning to part-time work. First Nations Australians should have greater access to culturally safe, industry-led employment pathways, while people with disabilities require clear entry routes, workplace adjustments, and support for inclusive practices.

By embedding these changes, the retail sector can drive workforce equity, boost economic growth, and ensure that all Australians have the opportunity to thrive professionally.



## How do we get there?

The ARA and NRA recommend the following initiatives to drive social and economic outcomes through a more inclusive and equitable workforce:

1. **Close the Superannuation Gender Gap**
  - a. Introduce career credits for mothers returning to work on reduced hours, ensuring that career breaks do not result in long-term financial disadvantages.
  - b. Extend the Low-Income Superannuation Tax Offset (LISTO) to support women working part-time or re-entering the workforce after caring responsibilities.
2. **Increase Investment in First Nations Industry-Led Employment Initiatives**
  - a. Fund Indigenous-led employment programs in the retail sector, ensuring culturally appropriate career development and mentorship opportunities.
  - b. Expand funding for First Nations traineeships and leadership programs, providing pathways into retail management roles.
  - c. Enhance partnerships between First Nations organisations, retailers, and government to increase Indigenous employment and business participation in retail supply chains.
3. **Boost Workforce Participation of People with Disabilities**
  - a. Increase investment in career pathways and training programs for workers with disabilities, ensuring relevant skills and opportunities to thrive in retail.
  - b. Expand funding for workplace support programs, ensuring employers are supported to provide inclusive working environments for people living with a disability.

Addressing workforce inequalities is both an economic and social imperative. Closing the superannuation gender gap, investing in First Nations employment, and supporting people with disabilities will unlock new talent pipelines, foster diversity, and strengthen Australia's economy. While retailers are committed to inclusive practices, sustained government support is critical for scaling these efforts and driving meaningful, long-term change.

Through industry-government collaboration, we can create a workforce where everyone, regardless of background or ability, has the opportunity to succeed.



# COLLABORATE ON COMMUNITY OUTCOMES



Retail is deeply connected to the communities it serves, providing essential goods, employment opportunities, and economic activity that sustains local economies. In times of crisis, retailers are on the frontlines of community support providing critical goods and services.

In the face of evolving community challenges, it's important to establish a more coordinated response between industry and government. Some of the risks the sector is tackling include rising retail crime, cybersecurity threats, sustainability transitions, and supply chain pressures.

As retailers continue to face increased impacts to their wellbeing, security risks and rising financial pressures linked to crime, a strengthened national approach to crime prevention and worker safety is essential. The rapid growth of digital commerce has also heightened cybersecurity risks, requiring proactive strategies to protect businesses and consumers from cyber threats while ensuring responsible technology use.

In addition, the shift towards a low-carbon, circular economy presents both challenges and opportunities for retailers. Government and industry collaboration will be necessary to support

businesses in achieving sustainability goals while maintaining operational viability. Addressing supply chain vulnerabilities and investing in community infrastructure, including housing, will further enhance economic resilience and workforce stability.

Retailers are already taking action in these areas, but meaningful progress requires strong policy support and a commitment to long-term partnerships. By working together, industry and government can strengthen the sector's ability to drive economic growth, social responsibility, and environmental sustainability for the benefit of businesses, workers, and consumers alike.

**This policy blueprint provides a strategic vision for a stronger retail sector that benefits businesses, workers, and consumers alike. By taking decisive action on these key priorities, policymakers can ensure the sector remains an engine for economic growth and social progress well into the future.**

## Policy Recommendations

Prioritise Retail Worker Safety by Reducing Retail Crime .....	Pg. 28
Partner with Industry on Health and Nutrition Outcomes .....	Pg. 30
Partner with Industry for a Circular Economy .....	Pg. 32
Continue the Transition to a Low-Carbon Economy .....	Pg. 34
Enhance Supply Chain Resilience .....	Pg. 36

# Prioritise Retail Worker Safety by Reducing Retail Crime

## Where are we now?

Retail crime in Australia poses a growing threat, causing physical and mental harm to frontline workers and impacting communities. It extends beyond lost revenue, undermining public safety, increasing operational costs, driving up prices, and threatening business viability. In 2024, retail theft cost businesses an estimated \$9 billion, with organised retail crime (ORC) driving much of this loss. ORC networks exploit law enforcement gaps and online marketplaces to resell stolen goods.

The human toll is severe, with 32% of retail workers saying they have considered leaving their jobs due to safety concerns, affecting workforce stability, particularly among young Australians for whom retail is often an entry point into employment. High-profile incidents, like the tragic knife attack at Sydney's Westfield Bondi Junction in 2024, highlight the urgent need for stronger security measures. Despite these challenges, Australia lacks comprehensive national data on weapon-related incidents in retail settings, hindering informed policy responses.

Retail crime is a national issue that affects safety, employment, and the cost of living. Addressing it requires coordinated federal leadership.

## Where do we need to get to?

Australia needs a nationally coordinated strategy to tackle retail crime, ensuring consistent legal protections, stronger deterrents, and improved law enforcement collaboration. This includes treating retail theft as a serious crime with tougher penalties, harmonising sentencing and enforcement across jurisdictions, and simplifying police reporting processes to enhance efficiency. A national approach to combating ORC is vital, with robust intelligence-sharing between law enforcement, retailers, and digital platforms.

Empowering retailers to adopt advanced security technologies while safeguarding consumer privacy will reduce crime-related costs, protecting both businesses and consumers. By enhancing legal protections, strengthening national coordination, and supporting modern security measures, Australia can create safer retail environments that support workers, businesses, and communities.



## How do we get there?

The ARA and NRA recommends focusing on the following areas to improve collaboration efforts that reduce instances of retail crime:

1. **Federal Leadership to Enhance National Coordination on Organised Retail Crime (ORC)**
  - a. Strengthen intelligence-sharing mechanisms between police, retailers, and government agencies to track criminal networks operating across multiple jurisdictions.
  - b. Establish a federal leadership position on ORC by creating a coordinated national strategy that aligns state and territory efforts. This should include a targeted approach to tackling repeat offending patterns, addressing the root causes of theft, and implementing intervention strategies to prevent crime escalation.
2. **Reducing the Sale of Stolen Goods Online**
  - a. Introduce legislation that strengthens ID verification for digital resellers to prevent stolen goods from being sold online.
  - b. Enhance collaboration between retailers, law enforcement, and stakeholders to improve monitoring and response to illicit sales.
3. **Modernise Security Regulations to Allow Further Technology Use in Retail**
  - a. Amend private laws to enable technology-driven security enhancements by updating the Privacy Act and related regulations to provide clear and consistent guidelines for the use of technologies in retail. Align regulatory settings with frameworks used in other sectors, ensuring retailers can deploy security technologies responsibly while upholding consumer privacy.
  - b. Ensure AI-driven security solutions are implemented with appropriate privacy safeguards, balancing crime prevention with consumer protections.

## 4. Harmonise Law Enforcement Approaches Across States

- a. Implement a standardised national approach to retail crime enforcement, ensuring that retail workers receive the same level of protection regardless of location.
- b. Align these efforts with broader regulatory harmonisation initiatives, reducing inconsistencies in retail crime enforcement across jurisdictions.
- c. Standardise laws for retail theft, knife crime, and workplace violence, ensuring uniform sentencing, clear police search powers, and a national reporting system to track and respond to crime trends.

Retail crime is a national issue, and retail workers deserve better. Federal leadership is needed to protect frontline employees, dismantle organised retail crime networks, and create a safer and more secure retail environment for all Australians.

# Partner with Industry on Health and Nutrition Outcomes

## Where are we now?

The retail sector plays a vital role in shaping the nutritional habits of Australians, providing access to a diverse range of food and beverage options. As the government advances its National Obesity Strategy, retailers are committed to working collaboratively to support healthier consumer choices while ensuring policy consistency and regulatory feasibility.

However, challenges remain in achieving national consistency in food classification, harmonising labelling systems, and ensuring nutritional education initiatives are practical and effective. While some regulatory approaches – such as blanket advertising bans – may unintentionally limit consumer choice and disproportionately impact small businesses, industry-led solutions can deliver better health outcomes without excessive regulatory burdens.

Retailers are already taking steps to reduce sugar, salt, and fat in products through voluntary reformulation programs and are investing in fresh food safety and supply chain enhancements to improve access to healthier options, particularly in regional and remote areas. Ensuring government policy aligns with industry best practices will help drive meaningful change while maintaining affordability and consumer choice.

## Where do we need to get to?

A collaborative, evidence-based approach is required to improve public health outcomes while supporting businesses to continue providing diverse and affordable food options. This includes:

- Ensuring a consistent, government-led nutrient profile model, such as the Food Standards Australia New Zealand (FSANZ) Nutrient Profile Scoring Criterion (NPSC), to determine food and beverage healthfulness.
- Harmonising food labelling requirements across states and territories to reduce compliance burdens while improving consumer clarity.
- Supporting consumer education initiatives that focus on nutrition, meal planning, and food waste reduction—rather than punitive measures such as sugar taxes or blanket advertising bans, which lack strong evidence of sustained behavioural change.
- Enhancing access to healthier food choices, including incentives for retailers to expand fresh and nutritious options, particularly in areas with limited food accessibility.



## How do we get there?

The ARA and NRA recommend the following policy actions to support healthier consumer choices and ensure a balanced regulatory framework:

- 1. Ensure National Consistency in Food Classification and Labelling**
  - a. Adopt FSANZ's Nutrient Profile Scoring Criterion (NPSC) as the government-led model for determining food and beverage healthfulness.
  - b. Harmonise food labelling requirements across jurisdictions to ensure clear, consistent information for consumers.
  - c. Maintain industry-led standards such as the AANA Code for responsible food advertising, preventing disproportionate impacts on small businesses caused by blanket advertising bans.
- 2. Enhance Consumer Education and Nutrition Awareness**
  - a. Develop national campaigns in collaboration with industry to promote nutrition education, meal planning, and food waste reduction.
  - b. Encourage initiatives that address barriers to fresh food consumption, such as cost, shelf life, and accessibility.
  - c. Partner with industry and community stakeholders to deliver effective educational programs that empower informed consumer choices.
- 3. Support Retailers in Expanding Healthier Food Options**
  - a. Incentivise voluntary product reformulation efforts to reduce sugar, salt, and fat in food and beverages.
  - b. Provide targeted grants and infrastructure support to improve fresh food supply chains, ensuring healthier options are accessible in regional and remote communities.
  - c. Avoid punitive measures such as sugar taxes, which disproportionately impact low-income households and have limited effectiveness in driving long-term behaviour change.

## 4. Prioritise Collaborative Solutions Over Excessive Regulation

- a. Ensure policy measures enhance public health without increasing consumer costs or reducing product availability.
- b. Recognise the role of industry self-regulation in maintaining advertising standards while avoiding unnecessary restrictions.
- c. Work with retailers, food manufacturers, and public health bodies to implement practical, research-backed strategies that encourage healthier consumption habits.

The retail sector is committed to working with the government to support national health objectives while ensuring consumers retain access to diverse, affordable food choices. A balanced approach, focused on education, voluntary industry initiatives, and regulatory consistency, will drive sustainable improvements in public health without unnecessary burdens on businesses and consumers.



# Partner with Industry for a Circular Economy

## Where are we now?

The retail sector plays a critical role in Australia's transition to a circular economy, driving waste reduction, material recovery, and behavioural change. However, current strategies for packaging reform, product stewardship, and waste reduction are fragmented, complex, and costly, often lacking meaningful industry consultation. This leads to inefficiencies, policy failures, and delays in environmental progress.

While retailers are committed to a decarbonised, circular future—focusing on waste elimination, extending product lifespans, and improving material recovery—they face pressures from inconsistent regulations, limited infrastructure, and high costs for adopting sustainable practices. Free-riders, or businesses that benefit without contributing, further strain compliant retailers.

Greater collaboration between government and industry is essential to streamline reforms, foster innovation, and support sustainability efforts through targeted investments, incentives, and education.

## Where do we need to get to?

Australia needs a cohesive circular economy model that delivers clear packaging reforms, streamlined product stewardship schemes, and incentives for sustainable practices. This includes consistent packaging regulations that minimise business costs, effective stewardship programs with strong accountability, and tax incentives to encourage food donations. Expanding support for circular business models through R&D tax incentives will foster repair, reuse, recycling, and product lifecycle extension, balancing affordability with environmental impact.

By aligning regulatory frameworks with industry needs, Australia can create an efficient, sustainable circular economy that supports both environmental goals and business growth.



## How do we get there?

The ARA and NRA recommend the following initiatives to support the transition to a more circular economy:

1. **Prioritise a national waste strategy**
  - Implement a harmonised national approach to waste management, with a focus to streamline packaging regulations and waste management standards, to reduce inconsistencies across jurisdictions, ensure all parties in the resource and recovery chain are held to account, and prevent excessive compliance costs for businesses.
2. **Invest in and expand recycling infrastructure**
  - Establish modern recycling facilities comparable to other leading countries, with a focus on best practice innovation and traceability, industry-led soft plastic opportunities, and expansion of waste processing in regional and remote areas.
3. **Establish the federal packaging design reform process**
  - Harmonise on kerbside standards, single-use plastic bans, and enhance Container Deposit Schemes for a cohesive approach to packaging waste.
4. **Enhance the performance and impact of product stewardship schemes**
  - Invest funding to consolidate initiatives and establish an expert advisory group to strengthen governance and simplify schemes for consumers.
5. **Address food waste and insecurity**
  - Utilise the Tax Laws Amendment (Incentivising Food Donations to Charitable Organisations) Bill 2024 to support businesses to donate surplus food by alleviating transportation and logistics costs.
6. **Drive behavioural change through education**
  - Partner with industry stakeholders to develop educational programs that raise consumer awareness and dispel myths about recycling methods, including the Australasian Recycling Label (ARL), and improve access to facilities for hard-to-recycle materials.
7. **Incentivise innovation**
  - Leverage R&D tax incentives and provide grants to promote innovation in circular economy practices, facilitating advancements in recycling technology, the development of sustainable materials, Australian testing facilities, and the creation of solutions for hard-to-recycle products.

A coordinated, industry-led approach is essential for Australia's sustainability goals. By reforming packaging regulations, enhancing stewardship, incentivising food donations, and fostering circular business innovations, the government can ensure retailers are at the forefront of sustainable transformation. Collaboration will ensure initiatives are effective, practical, and economically viable while maintaining business competitiveness and environmental responsibility.

# Continue the Transition to a Low-Carbon Economy

## Where are we now?

Australia's transition to a low-carbon economy requires sustained investment from government, the private sector, and society. The retail sector plays a key role, actively investing in energy efficiency, supply chain decarbonisation, and emissions reduction initiatives to meet regulatory requirements and consumer expectations for sustainability.

However, retailers face challenges such as limited control over site electricity due to landlord agreements, rising energy costs, and restricted access to low-emission transport solutions. Regulatory certainty in climate-related financial reporting is essential to support business investment, while high costs, inadequate infrastructure, and limited government incentives hinder the adoption of low and zero-emission freight vehicles.

## Where do we need to get to?

Australia needs a resilient, low-carbon retail sector supported by stable regulations, financial incentives, and targeted investments. This includes maintaining the current framework for mandatory climate-related financial reporting to ensure regulatory stability, incentivising the adoption of low and zero-emission freight vehicles, and expanding energy efficiency grants to support the transition to sustainable lighting, refrigeration, and HVAC systems. Continuous investment in on-site renewable energy, such as rooftop solar and microgrid technology, along with sustainable building standards, will reduce emissions and operational costs. Strengthening low-carbon supply chains through responsible sourcing and carbon tracking will further enhance sustainability.

By aligning regulations with financial incentives, retailers can lead Australia's low-carbon transition while maintaining competitiveness.



## How do we get there?

The ARA and NRA recommend the following initiatives to support the transition to a low-carbon economy:

1. **Maintain Current Regulation for Mandatory Climate-Related Financial Reporting**
  - a. Ensure climate reporting requirements remain stable and predictable, allowing businesses to plan long-term investments in sustainability.
  - b. Continue aligning Australian climate disclosure standards with international best practice, ensuring access to global capital markets and reducing compliance complexity.
2. **Incentivise the Adoption of Low and Zero-Emission Freight Vehicles & Transport**
  - a. Expand financial incentives and grants for businesses investing in low and zero-emission freight vehicles, reducing the cost barrier to adoption.
  - b. Support the rollout of EV charging infrastructure and hydrogen refuelling stations for freight operators, ensuring retailers can transition their supply chains without logistical challenges.
  - c. Introduce fleet transition incentives for retailers, encouraging businesses to progressively replace fossil fuel-powered transport with low-emission alternatives.
3. **Expand Energy Efficiency Grants for Retail Businesses**
  - a. Increase funding for commercial energy efficiency upgrades, helping retailers invest in LED lighting, smart energy management systems, efficient refrigeration, and HVAC upgrades.
  - b. Ensure small and medium retailers have access to energy efficiency funding, reducing operational costs and carbon emissions for businesses of all sizes.

## 4. Encourage On-Site Renewable Energy Adoption

- a. Provide tax incentives or grants for retailers investing in rooftop solar, battery storage, and on-site renewable energy solutions.
- b. Support the development of microgrids for retail precincts and shopping centres, enabling businesses to reduce reliance on fossil fuel-generated electricity.

The transition to a low-carbon economy offers environmental and economic opportunities for the retail sector. By maintaining regulatory certainty, incentivising sustainable practices, and expanding energy efficiency programs, retailers can continue reducing emissions while remaining competitive. Government collaboration is key to accelerating this transition, ensuring it is commercially viable, scalable, and beneficial for businesses, workers, and consumers.

# Enhance Supply Chain Resilience

## Where are we now?

Australia's freight and logistics network is under increasing strain from rising demand, extreme weather events, outdated infrastructure, and inconsistent regulations across jurisdictions. Freight demand is projected to grow by 35% from 2018 to 2040, but road and rail networks are struggling to keep pace. The lack of national coordination leads to inefficiencies, delays, and higher costs for businesses and consumers.

State-based transport regulations create inefficiencies, with inconsistencies in vehicle weight limits, delivery curfews, and operational standards. These disparities drive up costs, increase congestion, and undermine supply chain reliability, especially for retailers reliant on seamless logistics.

Infrastructure bottlenecks further exacerbate delays, with freight productivity stagnating over the past two decades. Without targeted investment, these issues will worsen as freight volumes rise. Additionally, industrial land near key freight corridors is being lost to residential and commercial development, complicating long-term capacity planning.

Without intervention, Australia risks supply chain disruptions that will elevate retail costs, reduce delivery reliability, and diminish global competitiveness.

## Where do we need to get to?

Australia needs a nationally coordinated, future-proof freight and logistics network that reduces inefficiencies, improves predictability, and supports sustainability. This requires harmonising regulations across jurisdictions, investing in dedicated freight corridors to enhance efficiency, and protecting industrial land to secure long-term capacity. Strengthened national coordination in planning and investment will ensure resilient infrastructure, reduce costs, and support the transition to low and zero-emission freight vehicles, ultimately enhancing supply chain affordability for businesses and consumers.



## How do we get there?

The ARA and NRA recommend the following measures to enhance supply chain resilience:

1. **Harmonise Legislation Around Freight and Transport Across Jurisdictions**
  - a. Introduce a unified national framework for freight regulation, ensuring that businesses operating across multiple states are not burdened by conflicting laws.
  - b. Ensure alignment with broader national harmonisation efforts, reducing duplication and inconsistencies in regulatory requirements that affect logistics and supply chain efficiency.
  - c. Standardise vehicle weight limits, consistent delivery curfews, and uniform operational requirements, reducing inefficiencies and improving supply chain predictability.
2. **Prioritise Freight-Dedicated Infrastructure Corridors**
  - a. Invest in key freight corridors to reduce congestion and improve efficiency. Data from investment programs shows that targeted improvements, such as those made on the Parkes to Broken Hill corridor, led to significant reductions in transit times, demonstrating the benefits of dedicated freight infrastructure. The same approach should be applied to other strategic transport routes.
3. **Protect Industrial Land to Maintain Long-Term Network Capacity**
  - a. Introduce zoning protections that prevent critical freight and logistics hubs from being overtaken by residential and commercial developments. Without these protections, key freight routes and logistics hubs will continue to be lost, leading to further supply chain disruptions and increased transportation costs.

## 4. Improve National Coordination of Freight Planning and Investment

- a. Establish a long-term infrastructure investment plan that prioritises freight productivity, sustainability, and resilience.
- b. Ensure that freight infrastructure receives dedicated funding and futureproofing to meet growing demands and reduce strain on existing transport networks.
- c. Support fleet transition programs for retailers and logistics operators to encourage the adoption of low and zero-emission freight vehicles, helping to reduce long-term operational costs while aligning with Australia's emissions reduction commitments.

A nationally consistent approach to freight logistics will keep Australia's supply chains competitive, reliable, and resilient amid growing demands. Reducing regulatory inefficiencies, investing in strategic corridors, and protecting industrial land will create a more efficient, cost-effective retail supply chain. Addressing freight inefficiencies will help mitigate cost pressures, supporting affordability for businesses and consumers alike.



## Contact us

[www.retail.org.au](http://www.retail.org.au)

email: [policy@retail.org.au](mailto:policy@retail.org.au)

phone: 1300 368 041

[www.nationalretail.org.au](http://www.nationalretail.org.au)

email: [policy@nationalretail.org.au](mailto:policy@nationalretail.org.au)

phone: 1800 RETAIL (738 245)