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Annual Report
2008-09

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The Productivity Commission

The Productivity Commission, is the Australian Government's independent research and advisory body on a range of economic, social and environmental issues affecting the welfare of Australians. Its role, expressed most simply, is to help governments make better policies, in the long term interest of the Australian community.

The Commission's independence is underpinned by an Act of Parliament. Its processes and outputs are open to public scrutiny and are driven by consideration for the wellbeing of the community as a whole.

Information on the Productivity Commission, its publications and its current work program can be found on the World Wide Web at www.pc.gov.au or by contacting Media and Publications on (03) 9653 2244

21 OCT 2009



Australian Government
Productivity Commission

The Assistant Treasurer
Parliament House
CANBERRA ACT 2600

Dear Assistant Treasurer

We submit to you the Productivity Commission's annual report for 2008-09. The report is prepared in accordance with section 10 of the *Productivity Commission Act 1998*. The Commission's Act requires that a copy of this report be tabled within 15 sitting days of each House of Parliament after the day of receipt of the report.

Yours sincerely

Handwritten signature of Gary Banks in black ink.

Gary Banks
Chairman

Handwritten signature of Angela MacRae in black ink.

Angela MacRae
Commissioner

Handwritten signature of Michael Woods in black ink.

Michael Woods
Deputy Chairman

Handwritten signature of Patricia Scott in black ink.

Patricia Scott
Commissioner

Handwritten signature of Neil Byron in black ink.

Neil Byron
Commissioner

Handwritten signature of Judith Sloan in black ink.

Judith Sloan
Commissioner

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Wendy Craik
Commissioner

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Louise Sylvan
Commissioner

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Robert Fitzgerald
Commissioner

Handwritten signature of Philip Weickhardt in black ink.

Philip Weickhardt
Commissioner

Handwritten signature of David Kalisch in black ink.

David Kalisch
Commissioner

Chairman and Commissioners



Siobhan McKenna, Gary Banks (Chairman) and Judith Sloan



Angela MacRae, Louise Sylvan and Robert Fitzgerald



Mike Woods (Deputy Chairman), David Kalisch and Philip Weickhardt



Patricia Scott, Neil Byron and Wendy Craik

Acknowledgments

The Commission wishes to thank its staff for their continued efforts, commitment and support during the past year.

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Abbreviations

| | |
|--------|--|
| ABS | Australian Bureau of Statistics |
| ACCC | Australian Competition and Consumer Commission |
| AGCNCO | Australian Government Competitive Neutrality Complaints Office |
| AIHW | Australian Institute of Health and Welfare |
| ANAO | Australian National Audit Office |
| ANZSOG | Australia and New Zealand School of Government |
| APEC | Asia-Pacific Economic Cooperation |
| APRA | Australian Prudential Regulation Authority |
| APS | Australian Public Service |
| BRCWG | Business Regulation and Competition Working Group (COAG) |
| CAGP | China Australia Governance Program |
| COAG | Council of Australian Governments |
| CPRS | Carbon Pollution Reduction Scheme |
| CRC | COAG Reform Council |
| GDP | Gross Domestic Product |
| GTAP | Global Trade Analysis Project |
| GTEs | Government trading enterprises |
| IMF | International Monetary Fund |
| MFP | multifactor productivity |
| NATSEM | National Centre for Social and Economic Modelling |
| NCP | National Competition Policy |
| NRA | National Reform Agenda |
| OECD | Organisation of Economic Cooperation and Development |
| OHS | Occupation health and safety |
| OID | <i>Overcoming Indigenous Disadvantage</i> report |

| | |
|------|-------------------------------|
| PC | Productivity Commission |
| PTA | Preferential Trade Agreement |
| R&D | Research and development |
| ROGS | Report on Government Services |
| SES | Senior Executive Service |
| WTO | World Trade Organization |