

Australia's Productivity Pitch: What you told us



In Australia's Productivity Pitch, we asked for your ideas to improve Australia's productivity. This was the first time the Productivity Commission has crowdsourced ideas in this way, and we were delighted with the interest and engagement.

The Productivity Pitch, open from December 2024 to January 2025, received more than 500 ideas. The ideas will contribute to inquiries we are undertaking into the 5 Pillars of the Australian Government's productivity agenda.

In this document, we are pleased to share a selection of ideas that were submitted.

Thank you to everyone who contributed an idea. The full selection of ideas (excluding those received confidentially) are available on the <u>Australia's Productivity Pitch website</u>.

You can track the progress of the 5 productivity inquiries on our website - pc.gov.au.

Pillar 1: Creating a dynamic and resilient economy (36% of ideas)

- Remove unnecessary regulations to improve competition and mobility. Ideas included reducing the
 cost of setting up a business, streamlining regulatory procedures, accepting international standards,
 and reducing variation in regulations across states and territories.
- Increase business and organisational efficiency by improving management capabilities and building inclusive workplaces.
- Move firms to the productivity frontier by improving knowledge transfers, creating research and development initiatives, improving links between universities and businesses, and opening access to government-funded research.
- Lower corporate taxes or lower borrowing rates to encourage small and medium enterprises (SMEs) to grow and improve their access to finance. One idea included revenue-contingent loans for start-ups.
- Seek to diversify Australia's import and export channels to build trade resilience.
- Improve housing affordability through zoning rules and land use restrictions, reforming stamp duty, streamlining approval processes for building plans, reforming capital gains tax and negative gearing, and increasing supply of publicly funded housing.

Pillar 2: Building a more skilled and adaptable workforce (25% of ideas)

- Improve the quality of teaching and school education by making evidence-based materials and lesson plans available at a national level and giving senior students more interactions with the labour market to help them be job-ready.
- Reform the university and vocational education and training (VET) sector by improving recognition of prior learning, improving collaboration with industry, improving the access, use and quality of

- professional development courses, offering financial supports for regional university students and apprentices, and introducing university trimesters.
- Reform skilled migration and skilled shortage lists to make it easier to fill skills gaps in the labour market.
- Create a more accessible, mobile and flexible labour market by supporting people to enter and remain in the labour market, reducing barriers to job mobility, and introducing flexible working conditions, such as a four-day work week and work-from-home support.

Pillar 3: Harnessing data and digital technology (12% of ideas)

- Improve Australian Public Service (APS) capability and processes, including changing APS management assessment and key performance indicators to capture the benefits of technology.
- Improve digital infrastructure, particularly in regional areas. Ideas included reviewing the existing
 carrier powers and the immunities framework and reviewing barriers to regional digital infrastructure,
 using spectrum licence renewals to incentivise take up of 5G standalone (5G SA), and exploring NBN
 connections over products such as Starlink.
- Expanding use of technology in healthcare, including use of artificial intelligence in dental care, a rural health innovation hub, overhauling disability data collection and increased monitoring of illness.
- Reform data collection and governance by establishing a data council to govern data sharing and privacy.
- Mandate greater use of digital technology in business cases and contracts for large government infrastructure projects.
- Expand research into data and digital technology, including increasing the remit of CSIRO, creating
 an office of national research, increasing research funding to 3% of gross domestic product (GDP),
 and tax incentives for business research and development (R&D) spending.
- Encourage use of new technologies through a new framework for drone use, expanding geospatial capability, better use of earth observation satellites and greater use of 'digital twins'.

Pillar 4: Delivering quality care more efficiently (12% of ideas)

- Develop new models for commissioning services that limit duplication and reduce fragmentation
 within the care sector and use navigators to support National Disability Insurance Scheme (NDIS)
 participants and drive more efficient outcomes.
- Introduce a single Care and Support Regulatory Framework that covers aged care, disability, veterans' services and early childhood education and care. This could limit regulatory duplication and administrative burden and encourage organisations to work across sectors.
- Use pharmacists to deliver more care, including reviewing medications, consulting on minor illnesses, helping manage chronic illnesses, screening for illness, delivering mental health support, and administering vaccinations and prescribed medicines.
- Invest more in preventative health, including through community-led primary healthcare services and vouchers to fund activities that benefit health.

- Reform private health insurance to improve uptake, such as through taking payments out of superannuation, increasing rebates for older people in rural areas and undertaking a further review.
- Reform the Therapeutic Goods Administration to facilitate repairing and accessing medical devices.

Pillar 5: Investing in cheaper, cleaner energy and the net zero transformation (13% of ideas)

- Improve approval and planning for net zero projects by coordinating state and federal processes to eliminate unnecessary duplication, streamline interaction between government approvals and Renewable Energy Zones, and improve community engagement processes.
- Improve adaptation to address escalating climate risk by investing in flood mitigation infrastructure such as levees and using geospatial capability to improve disaster preparedness.
- Improve the economic regulation of the electricity and gas networks, including implementing gas reservation on the east coast to meet domestic demand.
- Support households and businesses to improve their energy efficiency and increase electric vehicle (EV) and vehicle-to-grid uptake.
- Support the development of green industries such as green steel and accelerate industrial electrification, including through integrating batteries into the electricity system.
- Remove fossil fuel subsidies or increase fossil fuel taxes so that energy prices better reflect the social cost of carbon.