

Senate Standing Committee on Economics

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Budget Estimates

1 June – 3 June 2010

Question: BET 271

Topic: Government's productivity agenda

Hansard Page: Written

Senator Eggleston asked:

Has the Productivity Commission been involved with/consulted about the Government's productivity agenda?

Answer:

Many commissioned inquiries and studies, together with much of the Commission's supporting research, inform the consideration of productivity issues and associated policy choices.

The Commission's overview of productivity issues was recently updated in its September 2009 submission on "Australia's Productivity Performance" to the Inquiry into Raising the Level of Productivity Growth in the Australian Economy by the House of Representatives Standing Committee on Economics.

Earlier reports have identified the contributions to economic performance of the National Competition Policy (2005) and the potential benefits of the National Reform Agenda (2007).

Various commissioned inquiries and studies have also informed the productivity agenda. Examples include the study of the Australian health workforce (2006) and the current program of studies on challenges for the education and training workforce, initially focusing on the vocational education and training sector.

The Australian Government has also commissioned on behalf of COAG inquiries, studies and regulation reviews by the Productivity Commission, such as the 2008 report on chemicals and plastics regulation and the continuing program of benchmarking studies of state, territory and Commonwealth regulations. These regulation benchmarking studies include the 2009 report on food safety regulation, the 2010 review of occupational health and safety regulation, and the current benchmarking of the jurisdictions' approaches to planning, zoning and development approvals.

The Commission also serves as Secretariat to the COAG Steering Committee for the Review of Government Services Provision, and thereby provides a database of reporting indicators relating to the COAG Reform Agenda (which includes a productivity stream).

Supporting research has also elaborated on the contributions to fluctuations in measured productivity growth, such as on productivity in the mining sector (2008)

Senate Standing Committee on Economics

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Budget Estimates

1 June – 3 June 2010

and investment in intangible assets and productivity growth (2009). The Commission is currently investigating the strength and nature of the effect of product market competition on firm and industry level innovation and productivity performance in Australia, providing important qualitative and quantitative input into policy development in general and the National Reform Agenda in particular.