

Productivity Inquiry – Brief Comments

No	Comment
C1	<p>The NSW Government has recently published and Industry Framework statement that is very relevant to this inquiry. The document can be downloaded at https://www.investment.nsw.gov.au/living-working-and-business/nsw-industry-development-framework/</p>
C2	<p>The Community and Public Sector Union recommends the Productivity Commission avoid a narrow focus on public sector productivity. The inquiry should examine the facilitative role that the public sector can play in improving productivity across the economy and the necessity to invest in the public sector workforce, particularly the Australian Public Service (APS), to achieve this. As a knowledge-based service, strategic government investment in staff and associated infrastructure such as ICT is key to generating productivity improvements. The better use its institutional memory and the experience and knowledge of its staff, accumulated over decades, will benefit all Australians. Greater investment in the APS will deliver a productivity dividend across the wider economy, for example:</p> <ul style="list-style-type: none"> • A properly staffed Services Australia will be better able to support people in times of need and help them get back on their feet faster. • An Australian Taxation Office with the permanent staffing levels it needs can better help small and medium enterprises navigate our taxation system and meet their obligations in a quick, efficient manner. • A well-funded Australian Bureau of Statistics can provide more key economic data releases that can result in better business decisions that will grow our economy. <p>The detrimental impact of arbitrary and blunt instruments such as wages caps and staffing caps that seek to reduce spending on public sector staff creates should be explored. It creates perverse incentives that undermine innovation and productivity. It results in the misallocation of resources, encouraging the use of labour hire and consultancies when permanent staff are more appropriate, undermining APS capability by making it harder to build corporate knowledge and an experienced workforce. Prioritising attraction and retention are important to getting the most out of the public sector workforce to maximise productivity gains. That means competitive wages and conditions, including flexible working arrangements, to attract the best and brightest, and more permanency to build corporate knowledge and create the certainty needed to invest in greater training. Staff also need to be supported with the right tools to do their jobs and the effect of poor ICT should be examined. A CPSU survey of 6,000 staff found that half (49.1%) disagree or strongly disagree their agency provides quality systems and tools that they need to do their job and less than a third (31.3%) agree or strongly agree their agency has invested in up-to-date technology for staff and clients. Substandard ICT was also identified as a problem by the Independent Review of the APS (APS Review), which found that the APS lags behind the private sector when it comes to ICT investment, spending 12% more on running old systems than the private sector. The APS Review estimated that at least \$1 billion of investment would be needed to overcome the gap with the private sector.</p>
C3	<p>Smart Cities 2.0: Creating city DAO pilots On 7 April 2022 the RMIT Digital CBD research team released a report proposing data DAO pilots for Melbourne. In short, for ten years we have spoken about smart cities as public-private partnerships (PPP). Say between Cisco or IBM and the city of Melbourne. Today DAOs can offer non-hierarchical data governance models. The goals of our report are tangible. We noted that alongside a decline in foot traffic in CBDs and an increase in remote work, there has been the challenge for small businesses in forecasting. For example, if Deloitte's audit team only works on a Thursday - how will the Bahn Mi sandwich shop in the bottom of their office building know how much stock to carry? These economic shocks are all interrelated. Alongside the problem of lowered foot traffic came less customers, and rent reductions. The broader economic shocks of landlord-tenant rent re-negotiations often lead to associated cash flow and working capital problems for both parties (due to reduced rents), and ultimately empty storefronts, empty buildings and a</p>

	<p>redistribution of capital. The Solution: a proposed Pilot. This report suggested a staged regenerative strategy targeting specific regions and precincts such as Melbourne's Docklands, as a pilot aimed at helping the businesses that need data to survive and thrive. This will encourage office workers and floating CBD populations to once again return to the CBD. In Stage 1, this report proposes a pilot for CBD people flow and other data collections. The goal is to assist SMEs with their economic forecasting and inventory. This pilot will help forecast working capital for businesses. In Stage 2, that data will then be utilised by the Decentralised Autonomous Organisation (DAO). Retail/residential/commercial tenants could then take responsibility for their local environment: by creating a pilot Docklands DAO utilising crucial pooled data to optimise resource allocation, increase efficiency, and create opportunities for strategic placemaking. We proposed creating a DAO as a tool for: 1. Targeted economic stimulus 2. Community governance 3. Community engagement. The DAO is a non-hierarchical organisation designed to rejuvenate a pilot precinct. It would be a DAO "data trust" designed to benefit all stakeholders. The DAO is the gatekeeper of all collected data that is to be used for the benefit of the DAO members & stakeholders. The concept of a DAO and the proposed operation of the pilot DAO is explained in depth in the report. In summary, DAO data trusts make data governance by "Smart Cities 2.0" a viable policy option. The full report can be found here: https://www.rmit.edu.au/news/media-releases-and-expert-comments/2022/mar/revitalising-melbourne-cbd</p>
C4	<p>Next week, there's the jobs and skills summit. This week, I've heard commentators raise the importance of increasing women's participation in the workforce, and generally, the need to fill shortages and manage talent. I should have a couple, or even a few, decades left to contribute, pay tax, and meet my potential. However, in order to re-join the workforce, I'm "up against" whether I can do a confident "sell job" in the cover letter/responses to the criteria/pitch, can explain the (few years now) gap on my CV, and can explain my reluctance to include referees and an uncertainty of who to list. Thinking of these things often throws me into a bit of a spin, too. I feel like, and feel like it'll straight away look like, it's me who's "a problem" or "the problem". Which is horrible. On top of what's already occurred. How are we going to "reactivate" the qualified, skilled, experienced, high-quality, high-character workers, who, not from having "done something bad", exited the workforce, but that was due to harassment, bullying, mobbing, assault, and cover-ups? Who's wanting to do that? How are they going about it? Do employers, panels and chairs need to be alerted to the reasons why an application looks different? I know when she spots something of interest, the applicant's trying.</p>
C5	<p>Impressive report thank you. Would love to see more discussion on influencing the management and leadership of data via chief data officer roles. There is a lot of dialogue around the benefits and uses of data and the infrastructure environment that it resides in for storage and access. But seeing initiatives to encourage and influence businesses and organisations to put people in charge of data management and empowered to focus on data integrity would contribute significant value I would imagine.</p>