

29 August 2025

Productivity Commission

Via 5pillars@pc.gov.au

Dear Productivity Commission team,

Productivity Commission Interim Reports

Thank you for the opportunity to provide a submission to the Productivity Commission in response to the published Interim Reports 'Harnessing data and digital technology' (released 5 August 2025) and 'Delivering quality care more efficiently' (released 13 August 2025). These are two of five inquiries the Productivity Commission is conducting to identify priority reforms under the five pillars of the Government's productivity growth agenda.

ANDHealth is Australia's only organisation specialised in the commercialisation of evidence-based digital and connected health technologies. We have unrivalled domain sector expertise and are now one of Australia's leading health technology commercialisation organisations, ranking in the Australian Financial Review's Top 10 Most Innovative Companies in Health in 2023.

ANDHealth is largely supportive of the content and draft recommendations contained in both the 'Harnessing data and digital technology' and 'Delivering quality care more efficiently' Interim Reports.

We appreciate the recognition that digital and connected health technologies have a role to play in addressing the challenges faced by our health and care economy and driving productivity in the Australian economy.

In ANDHealth's most recent state of the sector report 'The Rising Giant', published in April 2025, it found Australia's digital and connected health sector has experienced extraordinary growth and is poised to deliver substantive economic and health benefits.

Australia is now home to 1,005 digital and connected health companies, which represents a compound annual growth rate (CAGR) of 52% since 2019. There has also been a significant maturation of the sector in recent years, with the proportion of mid to late-stage companies now outpacing growth in early-stage ventures. In 2020, just 27 percent of companies were at a mid-to-late stage of development – defined as having reached proof of concept or beyond – but by 2024, this had risen to 45 percent, indicating a stronger pipeline of commercially viable and scalable solutions.

Australia is a health and medical research powerhouse, with a fast-growing digital and connected health sector, and as such, ANDHealth strongly advocates for government procurement to prioritise Australian innovation first, where possible, to increase the benefits for our economy.

Backing Australian innovation recognises the talent, expertise, and world class products and services that our Australian health and care related industries contribute to the broader economy, the productivity of the holistic health and care economy, and Australia as a whole.

Using Australia's significant procurement budget to back Australian industry and providers first, drives even greater Australian innovation, helps keep our talent here at home, and will have a multiplier effect on our entire health and care economy, and most importantly, improve the health and wealth of all Australians.

The more our healthcare system prioritises the procurement of Australian innovation, particularly innovation which results in overarching health system savings through prevention, monitoring and remote management, the more benefits it will deliver for our economy and to all Australians.

We believe our sector has a critical role to play in improving productivity within the provision of health and care and ANDHealth looks forward to continuing to work with the Productivity Commission to drive productivity and growth forward.

Yours sincerely,

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Bronwyn Le Grice
Chief Executive Officer