# Submission to productivity commission.

In this submission I intend to offer some ideas on:

creating a more dynamic and resilient economy.
Investing in cheaper and cleaner energy and the net zero transformation.
Harnessing data and digital technology.
Building a skilled and adaptable workforce.

My ideas are as follows:

1. Changing the tax system so that companies exporting raw/ primary products (iron ore, gas, wool, grain, etc.) can only export up to a certain quota before incurring taxes ( say 50 -75%to discourage the practice) on all product over their quota. These companies could either process the excess product themselves or team up with other companies to process the product locally. This processing would add value to the product and diversify our economy. The processed product could then be sold/ exported and these companies would then receive a tax concession to encourage the practice. If this were to be implemented it would need to be introduced with the taxes and concessions ramping up over a set period of years to give the affected industries time to adapt.

2. The instant tax write off scheme could be adjusted so that businesses claiming this would have to justify how the expense they are claiming is going to improved the productivity of their business. This would help to stop spending on things like utes that deliver next to no productivity gains and encourage spending on items that will help Australian businesses be more profitable and more competitive globally.

3. A government backed investment fund could be started that would help to provide funds for investment into green technologies as well as technologies and ideas that could be licensed to local businesses for manufacture and production. This fund would need some seed money from government but largely it would provide a relatively safe place for investors to put their money. To encourage investment in the fund, government could guarantee the first $100000 that an investor puts into the fund. There could also be a capital gains tax exemption for initial investments that would ratchet down over 5 years until it is only the first $100000 investment that is tax exempt. This scheme would ideally provide funding for projects and ideas that will give greener solutions and increases in productivity nationally without being a major drag on government budgets.

4. AI could be used to speed up planning approvals. The relative considerations for planning approvals can be fed into an AI model and the program can then review development applications and write reports on all that needs to be addressed for the application to be approved. Certain limits could be set so that it would flag a review by a human planner but if all of the DA requirements are met it should mean that the process becomes relatively automated. This could save years on some planning applications and in the area of clean energy could mean that projects getting off the ground much earlier and as such meeting emissions standards earlier too.

5. Investment in Tafe and universities should be a priority to building a more skilled and adaptable workforce. In my experience as a tradesman over the past 20 years the Tafe system has been underfunded. This in conjunction with the dumbing down of trade courses and allowing other providers to issue the courses online has contributed heavily to a workforce that is becoming less skilled and less adaptable. Whilst the above mentioned changes have made it easier for people to gain qualifications we are finding in my work place that the skills you would traditionally expect a tradesperson to possess are not there. A change like this would probably not be politically palatable but I think that in the long term it would be of great benefit to our country.

6. It would be great for the adaptability of our country if each citizen was entitled to one free university course/degree. Obviously this would cost a lot but I think it would allow people who may not otherwise have considered university because of costs to gain a qualification and could help to create a more equal and diverse workforce. The added gain from eliminating most HECS debts would also provide a noticeable economic boost.

7. My final idea would be to offer a GAP year to all young people, similar to what the ADF does but this would centred around trades and basic services. This would give people the opportunity to try out an industry and gain some skills in a certain area. This could be tied in with a tertiary education scheme so that a free university course would be available for young people but only if they had completed a GAP year in a relevant industry.

I hope some of these ideas are helpful.

Angus Lyttle.