

Response to interim Productivity Commission Reports

1. Copyright act needs to protect small businesses and sole traders. It cannot be amended to allow generative AI to use currently copyright protected works for free. Companies with generative AI can pay for licensing arrangements with small businesses and sole traders as they are doing in other countries. Generative AI can learn from government produced materials for free. Government should continue to make resources free (and if it contracts a provider to create something it could make that free for generative AI to use, if it was Commonwealth funded).
2. Corporate tax system could be further amended to reduce the marginal tax rate for newly established/fledgling businesses. This could include a tax rate of 15% on profits after expenses for companies trading less than \$1,000,000. Consideration would need to be given to related entities and structuring entities to keep it under the limit. Should also remove this entitlement from entities engaged in any Real Estate activity.
3. Draft recommendation 2.3 Enhance regulatory practice to deliver growth, competition and innovation The Australian Government should enhance the expectations placed on public servants, making them accountable for delivering growth, competition and innovation through regulatory systems. This should not be focused on. In the short term, focus on making regulatory processes easier to follow whilst still ensuring SAFETY for Australians. For example, overseas foods need to be subjected to the same standards as Australian foods (and tested to the same levels). It is unfair that foreign imported food is tested less frequently (due to regulatory budget constraints) than agricultural products made in Australia.
4. Public servants should be held to account for upholding good governance throughout all their duties. How can performance management in the public service be strengthened so they are doing their best by the tax payer, not necessarily the government of the day.