

## **MEDIA RELEASE**

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### **Game-changing reforms for Australia's economy**

"If Australian governments are serious about growth, they need to reform the tax mix and increase workforce participation for women and older Australians,' Grattan Institute Chief Executive Officer John Daley said today. "Together those three things can grow GDP by \$70 billion within the decade. Nothing else is big enough to change the game."

Launching Grattan's new report, [\*Game-changers: Economic reform priorities for Australia\*](#), Mr Daley said that in terms of the sheer scale of the economic benefits over the next decade, no other reform opportunity compared to tax reform and raising participation rates for women and older Australians.

Grattan Institute analysed a wide range of policy areas to identify the reforms that would produce the biggest returns over a ten-year time frame, and that most policy specialists would support as both desirable and achievable.

"Some issues — like industrial relations reform, innovation and infrastructure investment — get a lot of attention. But our research shows that compared to the game-changers, the growth potential of reform in those areas is either unknown or surprisingly small," Mr Daley said.

"Governments can't do everything at once, and they shouldn't try," Mr Daley said. "When governments take on too many reforms at once, they tend to succeed with small reforms, but mishandle the big ones. Prioritisation is essential. Governments need to concentrate their effort on reforms that can make the biggest difference."

Grattan's report focuses on economic policy. "Of course social reforms that impact on equity and the environment are important," Mr Daley said. "But the only way we can reduce poverty and pay for all the programs and services that improve peoples' lives is by growing the economy."

Australia faces a series of economic challenges in the coming years, Mr Daley said, and structural reform is not optional. "History shows that Australians are willing to have mature conversations about a better future for themselves and their children," he said. "Right now we need to have a conversation about reforms that can have the biggest impact on Australian prosperity in the future."

"On our analysis, unless an Australian government is talking about one of these big three reforms, it is not serious about lifting economic growth over the next decade."

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