

DRIVING REGIONAL GROWTH: SOUTH AUSTRALIA'S PRODUCTIVITY BLUEPRINT FOR DIGITAL INNOVATION AND RESILIENCE

RESEARCH INNOVATION COUNCIL ANZ BRIEF | VOL.7 | TORRENS UNIVERSITY AUSTRALIA

EXECUTIVE SUMMARY



On 7 November, 2024, **Torrens University** in Adelaide hosted a pivotal forum uniting senior government officials, academic leaders, industry representatives, and community stakeholders to address productivity challenges and opportunities in the Australian public sector. The discussion highlighted region-specific insights into the GX5 framework, focusing on its application to South Australia's unique challenges and opportunities.

The Chatham House discussion featured 14 senior public sector leaders from South Australia, representing key government departments and agencies. Among the attendees, **93% held Executive Leadership Team (ELT) and C-level roles**, including Chief Information Officer (CIO), Chief Data Officer (CDO), Chief Medical Information Officer (CMIO), and Executive Director, while the remaining 7% were Directors overseeing critical portfolios. The forum was enriched by contributions from five AWS industry partners (**AWS, Comunet, Mechanical Rock, Okta, and Blue Crystal**) and four senior academics, selected by **Torrens University** to explore practical strategies for sector-wide capability building.

These leaders manage areas such as digital transformation, customer experience, economic policy, healthcare innovation, information security, and regional infrastructure. Together, they are responsible for implementing strategic priorities like enhancing citizen-focused digital services, leveraging emerging technologies, fostering data-driven decision-making, and ensuring secure, scalable solutions across the public sector.

Keynote speaker, the Honorable Victor Dominello, provided region-specific insights on the critical role of productivity in addressing South Australia's demographic and economic challenges, emphasizing the need for targeted digital initiatives to enhance service delivery and citizen trust. to address demographic shifts and workforce challenges. The session emphasised actionable strategies tailored to South Australia's specific needs, such as fostering cross-sector collaboration and addressing skills gaps to drive innovation and productivity.

By **Patrick Joy** | Head of Research & Analysis | [Public Sector Network](#)

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WHAT IS THE GX5?



FIVE DIGITAL INITIATIVES
TO BOOST PRODUCTIVITY

THE GX5 | RESEARCH BRIEF



KEY THEMES AND INSIGHTS

REGIONAL CHALLENGES IN DIGITAL ID

- **Federated Identity Systems:** South Australia's federated approach presents both challenges and opportunities. Integrating state-level digital credentials with federal systems like myID requires alignment on open standards to ensure interoperability without stalling local progress.
- **Adoption Barriers:** Participants noted reluctance from stakeholders, including schools and NGOs, to adopt systems like myID due to concerns about privacy and usability. Addressing these through enhanced user experience (UX) design and clearer privacy assurances is critical.
- **Case for Collaboration:** Practical examples from Estonia and Singapore illustrated the transformative impact of prioritising digital identity as foundational infrastructure, driving both privacy and productivity benefits.

BUILDING CONFIDENCE THROUGH SMALL WINS

- **Start Small, Build Momentum:** A recurring theme was the importance of beginning with agile, narrowly scoped projects to demonstrate immediate value. For example, South Australia's implementation of a child abuse reporting portal integrating myGov.ID is an encouraging step.
- **Iterative Funding Models:** New South Wales' Digital Restart Fund was highlighted as a successful model for iterative, low-risk project funding. Participants advocated for adopting similar mechanisms in South Australia to avoid large-scale "tech wrecks."

PRODUCTIVITY AND COLLABORATION OPPORTUNITIES

- **Transport as a Horizontal Opportunity:** Addressing inefficiencies in transport systems—e.g., integrating multiple apps (public transport, rideshare, scooters) into a single ecosystem—was identified as a potential quick win for cross-jurisdictional collaboration.
- **Social Services Digitisation:** Digitising stretched services like child protection could yield significant productivity gains. The use of real-time identity verification for NGO partners, for instance, could streamline operations and reduce the time spent resolving FOI requests or court cases.
- **Standards and Trust Models:** Open standards and interoperable frameworks for digital identity were emphasised as essential. Stakeholders suggested leveraging global standards from industries like banking to accelerate local adoption.

CHALLENGES IN PUBLIC SECTOR CULTURE AND PROCUREMENT

- **Cultural Resistance:** Participants noted entrenched resistance to data sharing and siloed operations. While data sharing legislation exists, cultural barriers remain a significant obstacle to implementation.
- **Procurement Barriers:** Traditional procurement models were criticised for their inflexibility and incompatibility with agile project approaches. Attendees advocated for capability-driven problem statements over pre-defined solution tenders to better engage industry partners.

INNOVATIVE IDEAS AND CASE STUDIES

1. ESTONIA'S DIGITAL IDENTITY SUCCESS

- Estonia's investment of 2% of GDP in digital identity infrastructure transformed its economy, enabling seamless business registration and citizen privacy controls. These lessons could inform South Australia's approach.

2. NEW SOUTH WALES DIGITAL RESTART FUND

- The fund's iterative model enabled agencies to test ideas with small budgets and scale successful initiatives, reducing risk and increasing adoption. South Australia could adopt this framework to foster innovation.

3. NGO-GOVERNMENT PARTNERSHIPS IN CHILD PROTECTION

- By integrating NGOs into government systems using digital identity verification, South Australia could enhance traceability and accountability while improving service delivery efficiency.

STRATEGIC OUTCOMES AND RECOMMENDATIONS

IMMEDIATE ACTIONS

- Pilot an integrated transport ecosystem project to streamline UX and unlock productivity gains.
- Launch an education campaign to build trust and understanding of digital identity benefits among key stakeholders, at the same time as uncovering the steps required to establish open standards.

MEDIUM-TERM GOALS

- Expand agile funding mechanisms, to support iterative digital transformation projects.
- Develop a scalable model for integrating NGOs into child protection systems using digital identity.
- Formalise collaboration with academia to produce a framework for evidence-based research quantifying productivity gains from digital initiatives.

LONG-TERM VISION

- Achieve interoperability of interstate digital ID systems, underpinned by open standards.
- Transform core social services, starting with child protection and domestic violence, into digitised, user-centered ecosystems.

CONCLUSION

This discussion underscored South Australia's unique challenges and opportunities in driving public sector transformation. By focusing on small, actionable projects and fostering collaboration through open standards, the region can build a foundation for long-term success. The next steps involve prioritising high-impact initiatives, leveraging regional strengths, and sustaining momentum through ongoing engagement with government, academia, and industry stakeholders. The South Australian Research Innovation Council has the potential to lead transformative change, setting a benchmark for other jurisdictions.

FUTURE FOCUS AREAS

Open standards and interoperability for digital identity: capability development and roundtables on establishing open standards for digital identity across jurisdictions to enable greater interoperability.

Valuing and securing data as an organisational asset: research and skills development around methods for valuing data, understanding data depreciation, and best practices for long-term data security.

Agile and collaborative procurement models: discussions and capability building around more agile and collaborative procurement approaches that enable faster proofs-of-concept and industry partnerships.

Digitisation of social services and healthcare: focus on the productivity and citizen benefits of digitising areas like child protection, aged care, and pathology, even though these may not be the most politically visible areas.

Domestic capability and sovereignty in digital systems: examine issues around maintaining domestic control and expertise in critical digital infrastructure and systems.

ACKNOWLEDGEMENTS

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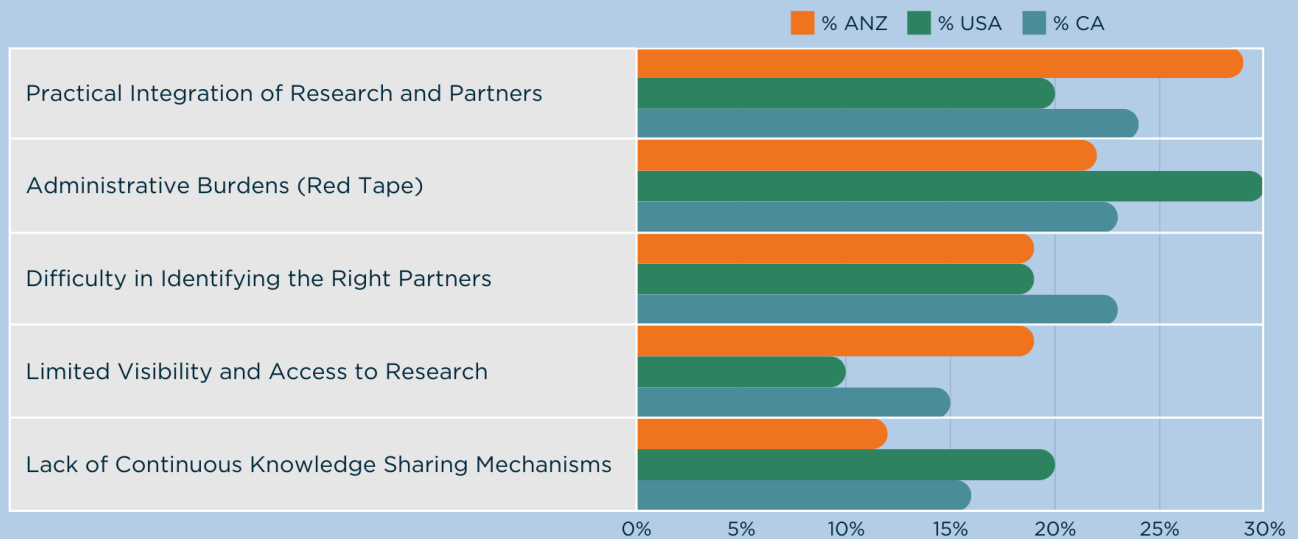
ABOUT THE RESEARCH INNOVATION COUNCIL

Connecting government, industry and academia: we've been able to engineer a new program antithetical to the classical red tape, administration, and risk-aversion that impedes innovation.

Our program offers senior executives a unique opportunity to gather monthly for PSN-facilitated roundtable sessions with colleagues, academics, and technologists. We run the program at no cost to government executives or academics, and provide attendees a private online group on our global insights exchange platform, access to research briefs, and expert engagement with PSN analysts and facilitators.



Greatest challenge partnering with Academia or Industry



Source: PSN Research Innovation Council Survey 2024. Total Sample Size: 188 ANZ/ 83 USA/ 80 CA Gov Executives

ABOUT PUBLIC SECTOR NETWORK

Public Sector Network is a research company that represents public sector professionals across Australia, Canada, New Zealand, and the USA. It develops roundtables, seminars, and conferences to suit current areas of interest to government agencies and their suppliers.

PSN's growing community spans across federal, state, and local government departments, healthcare, and education, allowing members to share information, access the latest in government innovation, and engage with other like-minded individuals on a secure and closed-door network.

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