

22 December 2025

NSW Treasury
2026–27 Budget Submissions
Sydney, NSW

Dear Treasurer and Treasury Officials,

GS1 Australia welcomes the opportunity to provide input to the **2026–27 NSW Budget process**.

This submission is framed to support the NSW Government’s stated objectives of improving wellbeing outcomes while maintaining responsible fiscal management, with a particular focus on reprioritisation, productivity uplift and regulatory efficiency rather than new recurrent spending.

Australia’s productivity challenge is increasingly a data, coordination and supply-chain problem. NSW businesses - particularly SMEs, regional producers and regulated manufacturers - face growing costs from fragmented product labelling, traceability and information requirements across jurisdictions and portfolios. These costs ultimately flow through to consumers, service delivery and public infrastructure projects.

This submission outlines practical, low-regret actions NSW can take to:

- reduce duplication and compliance burden
- improve supply-chain efficiency and resilience
- support digital government and service delivery reform
- unlock productivity gains using existing budgets and procurement levers

The proposals are aligned with NSW wellbeing themes, support NSW’s fiscal strategy, and complement existing state and national reform agendas. Treasury and implementing agencies are encouraged to review [recent independent economic analysis](#) of the productivity uplift associated with the use of supply chain data standards – connecting all NSW communities and touching all businesses and households.

GS1 Australia would welcome the opportunity to engage further with NSW Treasury and relevant agencies to explore how these reforms could be progressed in a staged, fiscally responsible way.

Yours sincerely,



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26-27 NSW Pre-Budget Submission – GS1 Australia

1. Purpose of this submission

This submission responds to the NSW Government’s invitation for feedback on priorities for the 2026–27 NSW Budget. It focuses on **productivity, regulatory efficiency and service delivery**, and how NSW can improve outcomes by **coordinating supply-chain data and digital systems** rather than expanding regulation or expenditure.

The proposals are designed to align with:

- responsible budget management and reprioritisation
- NSW’s wellbeing framework
- the NSW Government’s emphasis on enabling systems such as technology, manufacturing and infrastructure delivery

2. The challenge facing NSW

NSW businesses increasingly operate in **digitally mediated supply chains**, yet government policy and regulation often rely on **fragmented, analogue or bespoke approaches** to product information, labelling and traceability.

Key challenges include:

- **Fragmented regulatory requirements** across portfolios and jurisdictions, resulting in duplicated packaging changes, IT systems and reporting processes.
- **Incremental labelling and information reforms** that impose material costs on businesses without enabling data reuse or interoperability.
- **Limited coordination between procurement, regulation and digital government initiatives**, reducing the State’s ability to leverage its purchasing power to drive efficiency.
- **Disproportionate impacts on SMEs and regional businesses**, which lack scale to absorb repeated compliance changes.

These challenges directly affect NSW priorities, including:

- cost-of-living pressures
- healthcare and regulated product safety
- infrastructure delivery and construction supply chains
- circular-economy and sustainability verification
- resilience of food, medical and essential goods supply chains

3. Why this matters for the NSW Budget

The NSW Government has clearly stated that the 2026–27 Budget will prioritise:

- **reprioritisation over new spending**
- reforms that **lift productivity and wellbeing**
- improved coordination of enabling systems

Supply-chain data reform is uniquely well-suited to this approach because:

- it can be driven through **policy settings and procurement rules**, not large capital programs
- it reduces **ongoing compliance and administration costs**
- it delivers benefits across multiple portfolios simultaneously

In short, this is a **multiplier reform**: small changes in how NSW specifies and uses data can deliver large downstream benefits.

4. What NSW is doing well — and should continue

NSW has made strong progress in:

- digital service delivery and customer-centric government
- whole-of-government procurement reform
- circular-economy and sustainability policy leadership
- recognition of productivity as a central economic challenge

These foundations position NSW well to take the **next step: ensuring interoperability and reuse of data across government–industry interfaces**.

5. Proposed NSW actions (2026–27)

5.1 Adopt “interoperability by default” for supply-chain data

NSW should adopt a policy position that where government interacts with industry supply chains (procurement, regulation, grants), it will:

- preference **internationally recognised identifiers and data standards**
- avoid NSW-only identifiers or bespoke data formats
- design systems on a “collect once, use many times” basis

This reduces duplication and supports NSW businesses operating across borders.

5.2 Support standards-based digital labelling reform

NSW should work with other jurisdictions to:

- remove unintended regulatory barriers to digital labelling
- recognise standards-based digital labels where appropriate
- prioritise high-value regulated sectors (healthcare, chemicals, food, construction products)

This approach improves consumer safety and information access **without increasing label space, packaging waste or compliance costs**.

5.3 Use NSW procurement as a productivity lever

NSW procurement policies should explicitly:

- encourage suppliers to provide verifiable, standards-based digital product data
- support traceability, safety and sustainability claims through interoperable data
- create clear market signals that reward efficient, digitally capable suppliers

This can be achieved largely through **guidance and contract conditions**, not new spending.

5.4 Targeted SME and regional capability uplift

Where funding is required, NSW should:

- consolidate existing small grant programs into a **focused digital supply-chain uplift stream**
- prioritise SMEs and regional manufacturers
- tie funding to measurable adoption outcomes (not pilots for their own sake)

Co-investment with industry and other jurisdictions can further reduce fiscal impact.

6. What NSW should pause or deprioritise

To support these reforms, NSW should deprioritise:

- bespoke NSW-only data systems where interoperable solutions exist
- standalone QR or digital labelling pilots without a standards framework
- portfolio-specific digital initiatives that create new reporting silos

These approaches increase long-term cost and complexity without delivering scalable benefits.

7. Funding and fiscal considerations

Consistent with NSW's budget strategy, these proposals can be funded through:

- reprioritisation within existing digital, procurement and compliance budgets
- procedural reforms rather than new programs
- co-investment and alignment with Commonwealth and industry initiatives

The focus is on **reducing cost growth**, not increasing expenditure.

8. Alignment with NSW wellbeing themes

This submission supports multiple NSW wellbeing outcomes:

- **Prosperous:** higher productivity, lower business costs
- **Skilled:** capability uplift in SMEs and regional industries
- **Connected:** interoperable data across supply chains and government
- **Sustainable:** improved verification of recycled content and emissions
- **Healthy:** safer, more transparent regulated product supply chains
- **Secure:** improved traceability and supply-chain resilience

9. Conclusion

NSW has an opportunity in the 2026–27 Budget to make **practical, fiscally responsible reforms** that reduce complexity, lift productivity and improve wellbeing outcomes.

By coordinating supply-chain data requirements, enabling digital labelling, and using procurement strategically, NSW can deliver **lasting economic and service-delivery benefits** without significant new spending.

GS1 Australia welcomes further engagement to support the development and implementation of these reforms.