



Regulatory Reform

A SCORECARD TO MEASURE AUSTRALIA'S PROGRESS





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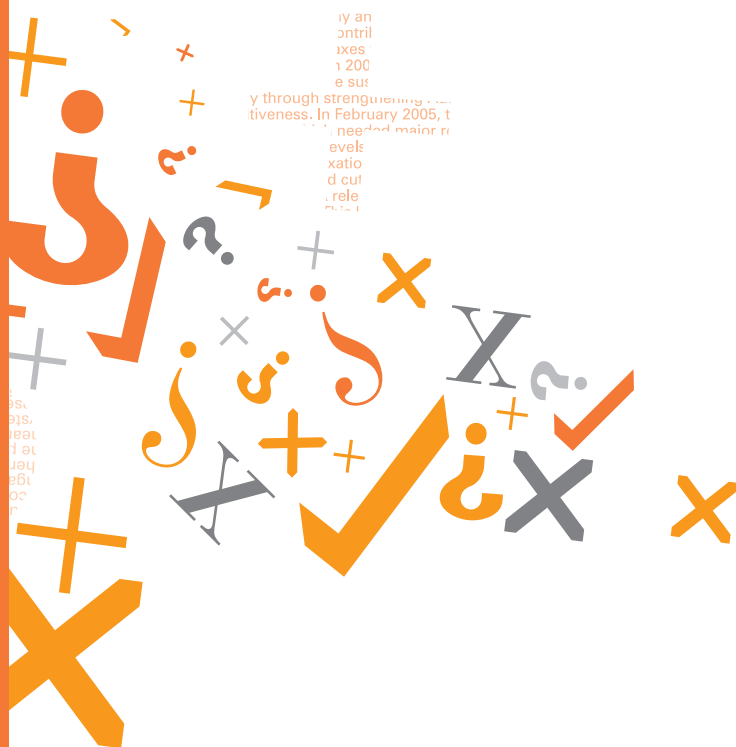
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REFORMING BUSINESS REGULATION



Overview

The Business Council of Australia (BCA) is an association of Chief Executives of 100 of Australia's leading corporations. BCA Member companies employ nearly one million Australians, generate \$340 billion in the economy and produce 30 per cent of Australia's exports. They will also contribute a significant proportion of the \$56 billion in company taxes that the Commonwealth Government is forecast to receive in 2006–07. The BCA has a deep interest in policies that promote sustained growth and prosperity in the economy through strengthening Australia's economic competitiveness.

In February 2005, the BCA identified four areas of the economy that needed major reform in order to lock in Australia's current levels of prosperity for the long term. This reform agenda included taxation reform, infrastructure renewal, workplace relations reform and cutting the red tape burden on business.

In May 2005, the BCA released its *Business Regulation Action Plan for Future Prosperity*.¹ This highlighted the surge in State and Commonwealth legislation and regulations over the past decade, and the negative implications this was having for Australia's business sector and its international competitiveness.

The *Business Regulation Action Plan* made a series of recommendations on how to reduce the unnecessary costs of poor regulation. Those recommendations were aimed not only at fixing the current stock of poor regulation, but also at systemic improvements to ensure further poor regulation is not imposed on business.

The aim of the scorecard outlined in this publication is to evaluate both the progress made by Governments to reduce the regulatory burden on business in the 12 months since the release of the BCA's *Business Regulation Action Plan*, and to set out a framework with which the BCA will continue to monitor progress by Governments in fixing the problem.

“Behind this initiative [the Taskforce on Reducing the Regulatory Burden on Business] were mounting concerns from business at the growth of regulation and its cumulative burdens. The concerns emanated from a cross-section of business interests, and culminated in a major report by the BCA in May 2005. The regulatory backlash was broadly-based, but had a particular focus on regulation of financial services, taxation, employment and the environment.”

Excerpt from G Banks, Chairman, Regulation Taskforce and Productivity Commission, 'Reducing the regulatory burden: the way forward', Public Lecture, Monash Centre for Regulatory Studies, Melbourne, 17 May 2006, p. 2.

The Costs and Consequences of Bad Regulation

Although regulation imposes costs, some regulation is necessary for the running of complex economies and societies. Much regulation has desirable policy objectives.

Nevertheless, even where regulation has been put in place for apparently sound reasons, there is no guarantee that it is good regulation. Nor is regulation necessarily the best way to achieve our goals, or the best response to every problem or potential problem. Regulation is in fact a high-cost option. Every regulation imposes a cost: on the Government administering it, on those regulated, and on the economy as a whole. We must be certain that whenever regulation is imposed, its benefits clearly outweigh its costs.

Regulation also needs to remain under constant review to ensure it remains necessary, effective and the most efficient way of achieving its objectives.

Regulation can therefore fail in two ways. It can be put in place when it is not needed; and even where regulation is the right option, it can be poorly designed or badly administered. The costs of such regulation are not outweighed by their benefits and they add a significant deadweight to the economy, sapping the strength of Australian businesses and undermining their ability to compete. This is an unnecessary burden on business that must be reduced in the interests of Australia's economic competitiveness.

“Regulation can help support business activities. It sets standards for corporate governance, helps ensure our safety and security, guards our freedom and choices and protects our environment. However, over-regulation or inappropriate regulation acts to impede economic growth. It limits the scope for innovation, undermines entrepreneurial drive and reduces productivity and competition.”

Prime Minister of Australia, *Taskforce on Reducing the Regulatory Burden on Business*, media release, 12 October 2005, www.pm.gov.au.

THE BCA's THREE STEPS TO SHEDDING THE REGULATORY BURDEN

To help reduce the regulatory burden on business, the BCA proposed a three-step program, as follows.

STEP ONE: IMPROVE FUTURE REGULATION

Implement reforms so the process of regulation making is more transparent and accountable, ensuring regulation is introduced only where it is necessary, and then in the most cost-effective way.

STEP TWO: IMPROVE EXISTING REGULATION

Review the stock of existing business regulation, testing each piece of regulation against criteria such as: Is the regulation still needed? How will the market respond if it is removed? Are there more cost-effective ways of achieving the policy outcome?

STEP THREE: RATIONALISE COMMONWEALTH-STATE REGULATION

Implement reforms where regulatory responsibilities are shared across jurisdictions, with the aim of achieving nationally consistent regulation in areas such as occupational health and safety laws, payroll tax and stamp duties, product standards, trade and professional licensing, personal securities and environmental laws.

Step One is crucial. Unless Governments reform the processes of regulation creation to make those processes more transparent and accountable, any gains from red tape reviews will be limited in scope and eroded over time as more regulation is added to the existing stockpile.

Specific Ways for Governments to Keep Bad Regulation at Bay

The BCA has made a number of recommendations on how to improve regulation making processes and fix the system of business regulation.

These include:

- + Creating a Ministerial Task Force, similar to those operating in the UK and the Netherlands, to act as a 'gatekeeper' to prevent proposals for new business regulation being considered by Government unless the benefits of the proposed regulation clearly outweigh the costs.
- + Establishing a Business Regulation Advisory Council to advise Government on priorities for regulation reform, including Commonwealth, State and local regulation that should be removed or substantially improved.
- + Creating a champion for better business regulation within Government through enhancing the role and powers of the Office of Regulation Review to challenge the need for new regulation affecting business and to oversee the cost-benefit analysis of regulatory proposals.
- + Introducing a two-stage impact assessment process, with all regulations likely to affect business subject to a preliminary assessment, and all regulations likely to have significant impacts on business subject to full assessment.
- + Enshrining in legislation the requirement that all regulatory proposals likely to have a significant impact on business undergo a detailed regulatory impact assessment to ensure the benefits of the regulation clearly outweigh the costs.

- + Requiring the Minister proposing new business regulation to certify personally that the benefits of the regulation will outweigh the costs.
- + Requiring the release of draft regulatory impact statements for public comment and allowing sufficient time to make that consultation meaningful.
- + Developing a standardised and sophisticated methodology for identifying and measuring the likely costs to business of proposed regulations.²

The BCA does not consider it essential for Governments to implement precisely these recommendations to achieve the desired result of better regulation making. However, any reforms must meet their underlying intent, i.e. to ensure that the regulation making process becomes transparent, that there is adequate consultation with those likely to be affected before decisions to regulate are made, and that officials developing regulation are accountable for their decisions and the quality of the regulations they develop (see opposite).

WHY CURRENT PROCESSES FAIL (OR WHY REGULATORY IMPACT STATEMENTS HAVE LITTLE IMPACT)

Since 1997, the Commonwealth Government has required the preparation of a regulatory impact statement (RIS) for all regulatory proposals that will directly or indirectly affect business or restrict competition.

Despite this requirement, the RIS process has been less than successful in meeting its objectives. Only a handful of new regulations are subject to any cost-benefit analysis, and even where such analysis occurs, it is often conducted too late in the process to influence the outcome and is based on very limited information about the actual costs to business.

The Government encourages consultation with those affected by regulatory proposals. However, this consultation is often superficially brief, is conducted late in the process and/or lacking in depth, and as a result is inconsequential to the decision-making process.

While the RIS process, backed by consultation, is conceptually sound, it has not prevented poor regulation being added to the existing stockpile. The reason for its failure is that no one is accountable for the quality of the processes. There are no consequences for officials if they ignore RIS requirements, prepare a poor-quality RIS or fail to engage in adequate consultation. Without accountability, process improvements and political promises on their own are unlikely to deliver better regulatory outcomes.

“The Productivity Commission’s annual publication, *Regulation and its Review*, reveals that while RIS compliance rates have generally improved since 1997, they remain variable across portfolios and over time (with a drop in the most recent year recorded) ... Even for those RISs assessed as ‘adequate’, the ORR [Office of Regulation Review] has observed that many contain rudimentary analysis of options and indicate limited consultation. In many cases RISs appear to have been an afterthought, merely justifying decisions already taken.”

Regulation Taskforce 2006, *Rethinking Regulation: Report of the Taskforce on Reducing Regulatory Burdens on Business*, Report to the Prime Minister and the Treasurer, Canberra, January 2006, p. 155.

MEASURING PROGRESS ON REGULATORY REFORM



Why a Scorecard Is Needed

Since the release of the BCA's *Business Regulation Action Plan* there has been widespread recognition of the need to reduce the production of inefficient, unnecessarily costly regulation. The Commonwealth Government established its high-level Taskforce on Reducing the Regulatory Burden on Business, headed by the Chairman of the Productivity Commission, Mr Gary Banks, to identify ways of reducing the compliance costs of regulation on business. The Banks Taskforce has now prepared a report of its findings, *Rethinking Regulation*, which was released in April 2006 together with the Commonwealth Government's interim response.³

In accepting the need to address the underlying systemic failures of regulatory process, not just the symptoms of those failures, the *Rethinking Regulation* report has provided a blueprint for significant improvements in business regulation. In particular it includes recommendations covering four systemic areas under the control of Governments that are critical to ensuring better regulatory outcomes, as follows:

- + Introducing better processes for making regulation
- + Improving administration of regulation
- + Reducing overlaps, duplication and inconsistencies
- + Ensuring regulation remains appropriate over time.⁴

The New South Wales Government has launched a similar initiative through its Independent Pricing and Regulatory Tribunal. Victoria is engaged in an ongoing program of regulatory reform, in particular through the work of the Victorian Competition and Efficiency Commission. Queensland has a Red Tape Reduction Taskforce to undertake annual reviews of regulation. The South Australian Government has suggested a national Australian Business Regulation Index to benchmark the regulatory performance of different Governments.

“COAG agreed to a range of measures to ensure best-practice regulation making and review, and to make a ‘downpayment’ on regulatory reduction by taking action now to reduce specific regulation ‘hotspots’. It is expected that further action to address burdensome regulation and red tape will be taken as the Commonwealth considers and responds to the report of the Taskforce on Reducing the Regulatory Burden on Business, and as State, Territory and local governments undertake their own regulation review processes.”

Council of Australian Governments Communiqué,
10 February 2006.

Importantly, the Council of Australian Governments (COAG) has also recognised the need for cooperative efforts to reduce the regulatory burden, particularly the burden arising from overlapping, duplicated and inconsistent regulation. At its meeting in February 2006, COAG agreed that all Governments will:

- + Establish and maintain effective arrangements to maximise the efficiency of new and amended regulation and avoid unnecessary compliance costs and restrictions on competition.
- + Undertake targeted public annual reviews of existing regulation to identify priority areas where regulatory reform would provide significant net benefits to business and the community.
- + Identify further reforms that enhance regulatory consistency across jurisdictions or reduce duplication and overlap in regulation and in the role and operation of regulatory bodies.
- + Aim, in principle, to adopt a common framework for benchmarking, measuring and reporting on the regulatory burden.

COAG also agreed to address six priority, cross-jurisdictional 'hot spot' areas where overlapping and inconsistent regulatory regimes are impeding economic activity. They are:

- + Rail safety regulation
- + Occupational health and safety
- + National trade measurement
- + Chemicals and plastics
- + Development assessment arrangements
- + Building regulation.⁵

The BCA has welcomed these commitments as a necessary foundation for reducing the compliance costs of regulation, but warns they are only the start of what will need to be an ongoing reform process.

Reform Commitments Are Welcome, but Much More Needs to Be Done

While the level of commitment from Governments in response to business concerns about regulation is to be applauded, there are still major gaps in the specific initiatives announced so far. Commitments now need to be turned into concrete actions if Australia's red tape burden is to be reduced.

It is positive that COAG has acknowledged the problems in regulation making and administration, and has set out the general direction in which reforms need to head. Unfortunately, the COAG commitments are of a broad, high-level nature and it is unclear how they will be converted into tangible and sustainable reforms. The next COAG meeting is scheduled for July 2006. The BCA will be looking to that meeting to clearly establish and articulate the commitment of Australia's Governments to collectively reforming the regulatory burden on business.

The Commonwealth Government has shown leadership in setting up a high-level Taskforce with strong business representation. The Government's interim response shows that it is heading in the right direction to achieve significant improvements in business regulation.

Overall, however, the responses of COAG and the Commonwealth Government are still early-stage responses, consisting largely of broad commitments of intent, rather than commitments to specific actions. The notable exception to this is the Commonwealth Government's commitment to more rigorous cost-benefit analysis, backed by funding to develop the Business Cost Calculator.

In most other areas, issues have either not been dealt with, or the response appears positive but lacking in detail. In particular, much more needs to be done to improve the transparency and accountability of regulation-making processes. Unless those responsible for regulatory proposals are held to account for the quality of regulation, the regulatory burden on Australian business will not be reduced. For this reason, Governments should appoint a Minister with primary responsibility for overseeing the implementation of regulatory reform and to ensure improvements made to regulatory processes are sustained.⁶ As the Banks Taskforce noted, '... strong political leadership is the essential pre-condition for sustained improvement in regulatory outcomes ...'⁷

Both COAG and the Commonwealth Government intend to make further announcements on regulatory reform. The BCA awaits those announcements.

“... we will have to wait for the next instalment on the Government's 'downpayment', expected in late-July, to properly judge the outcome ... Critical to the effective implementation of the integrated package of reforms proposed by the Taskforce, will be the institution of clear processes to carry them forward. These should include not only a forward agenda of specific reforms and reviews, but also indicative timelines, and institutional arrangements to monitor and facilitate progress.”

G Banks, Chairman, Regulation Taskforce and Productivity Commission, 'Reducing the regulatory burden: the way forward', Public Lecture, Monash Centre for Regulatory Studies, Melbourne, 17 May 2006, p. 18.

How the Scorecard Works

The need to regularly monitor progress is the reason why the BCA has developed a scorecard to measure and assess how the COAG and Commonwealth reforms are progressing. This model will also be used to monitor and assess how the States and Territories respond to red tape reform.

This publication measures the progress made to date in response to the reforms proposed in the BCA's *Business Regulation Action Plan*. A summary of that progress is provided in Exhibit 1. Rather than look at the wide range of responses to specific regulations, such as the 100-plus recommendations of the Banks Taskforce on particular areas of regulation, it focuses on the systemic changes needed to ensure improvements in regulation are sustained, and that the gains from fixing current regulatory problems are not lost when future regulation is added.

It details the commitments made by all Governments through COAG (see Exhibit 2) and progress at the Commonwealth level, through the Banks Taskforce report and the Commonwealth Government's interim response to that report (Exhibit 3).

Greater transparency, accountability and consultation are central to improving Australia's regulation-making systems.

EXHIBIT 1: PROGRESS TO DATE ON REAL REGULATORY REFORM

	ACKNOWLEDGEMENT OF PROBLEM	AGREEMENT ON SOLUTIONS	IMPLEMENTATION OF SOLUTIONS	OVERALL PROGRESS TO DATE
COAG	★★★★★	★★↓		Problems acknowledged but response was high level and lacking in detail. No specific systemic reforms agreed to.
Banks Taskforce	★★★★★	★★★★★↓	Not applicable	Problems acknowledged and a good blueprint for systemic reform was identified. However, the Banks Taskforce is not responsible for implementation.
Commonwealth	★★★★★	★★	↓	Problems acknowledged and some solutions agreed to. Some initiatives being implemented. Many Banks Taskforce recommendations not yet responded to.

EXHIBIT 2: COAG COMMITMENTS, FEBRUARY 2006

BCA ISSUES	COAG COMMITMENTS	ASSESSMENT
STEP ONE: IMPROVE FUTURE REGULATION		
Principles of Good Regulation		
+ Adopt principles for developing, administering and reviewing business regulation	No response to date	×
Accountability		
+ Create a Ministerial Task Force to act as a 'gatekeeper'	Establish and maintain 'gatekeeping mechanisms' as part of decision-making processes (Decision 5.1(a))	+
+ Establish business advisory councils to advise on reform priorities	No response to date	×
+ Create a champion for better business regulation within Government	No response to date	×
+ Legislate the requirement for regulatory impact assessments	No response to date	×
+ Require the Minister proposing new regulation to certify the benefits outweigh the costs	No response to date	×
Transparency		
+ Consult those affected by regulatory proposals early and as proposals are finalised – provide adequate time for consultation	No response to date	×
+ Introduce a two-stage impact assessment process	No response to date	×
+ Improve and strengthen RIS requirements	Broaden the scope of regulation impact analysis (Decision 5.1(d))	+
+ Release draft regulatory impact statements for public comment	No response to date	×
+ Develop a methodology for measuring the costs to business of proposed regulations	Improve the quality of regulation impact analysis through the use, where appropriate, of cost-benefit analysis and through better measurement of compliance costs (Decisions 5.1(b) & (c))	+
+ Release exposure drafts of all legislation for a minimum of 12 weeks consultation	No response to date	×
+ Develop Departmental Regulation Assessment Units	No response to date	×
+ Have all legislation come into effect on only one of two possible dates each year	No response to date	×
+ Allow longer transition periods for the adoption of new regulations	No response to date	×
+ Release all necessary subordinate legislation before primary legislation comes into effect	No response to date	×
+ Have major Acts subject to only one principal amending Act each year	No response to date	×

✓ positive decision + positive direction ? progress unclear × no progress

BCA ISSUES	COAG COMMITMENTS	ASSESSMENT
STEP TWO: IMPROVE EXISTING REGULATION		
Review 'Red Tape'		
+ Rationalise the regulatory burden imposed by multiple regimes	Identify further reforms to enhance regulatory consistency across jurisdictions or reduce duplication and overlap (Decision 5.4)	+
+ Develop an annual review and red tape reduction agenda	Initiate annual public reviews (Decision 5.2)	✓
+ Have fixed terms or 'sunset' for all legislation introduced for specific purposes	No response to date	×
Improving the Performance of Regulators		
+ Clarify policy objectives of the legislation and hence regulators' objectives	No response to date	×
+ Require regulators to operate consistently with this objective and report how this is achieved	No response to date	×
+ Address overlap and lack of coordination between regulators	Identify further reforms to reduce duplication and overlap in the role and operation of regulatory bodies (Decision 5.4)	+
+ Regulators to focus on vibrant business sector as an objective	No response to date	×
STEP THREE: RATIONALISE COMMONWEALTH-STATE REGULATION		
+ Review areas of legislation with significant overlap and inconsistency e.g. OH&S, workers' compensation, payroll tax, stamp duty, etc.	Identify reforms that enhance regulatory consistency (Decision 5.4) and review ways of harmonising OH&S legislation and standards (Decision 5.6) plus other key 'hot spots' (Decisions 5.5, 5.7-5.10). Apply better regulatory impact analysis to Ministerial Councils (Decision 5.1(e))	+

✓ positive decision + positive direction ? progress unclear × no progress

EXHIBIT 3: BANKS TASKFORCE AND COMMONWEALTH GOVERNMENT INTERIM RESPONSE, APRIL 2006

BCA PROPOSAL	BANKS TASKFORCE RECOMMENDATIONS	INTERIM RESPONSE FROM COMMONWEALTH GOVERNMENT	ASSESSMENT
STEP ONE: IMPROVE FUTURE REGULATION			
Principles of Good Regulation			
+ Adopt principles for developing, administering and reviewing business regulation	Government should endorse six principles of good regulatory process (Recommendation 7.1)	Agreed but implementation details still to be released	+
Accountability			
+ Create a Ministerial Taskforce to act as a 'gatekeeper'	Strengthen 'gatekeeping' requirements for regulatory proposals and elevate oversight of regulatory processes and reform program to Cabinet level (Recommendations 7.9 & 7.12)	Agreed to (Recommendation 7.9) but implementation details still to be released. Recommendation 7.12 (Cabinet oversight) yet to be responded to	?
+ Establish business advisory councils to advise on reform priorities	The Banks Taskforce was a good example of the positive role an advisory body can play, but such a body needs a permanent role.	No decision taken to continue with an advisory body	×
+ Enhance the powers of the Office of Regulation Review to create a champion for better business regulation	No recommendation		×
+ Legislate the requirement for regulatory impact assessments	Include good process requirements in Legislative Instruments Act (Recommendation 7.11)	Not yet responded to	?
+ Require the Minister proposing new regulation to certify the benefits outweigh the costs	No recommendation		×

✓ positive decision + positive direction ? progress unclear × no progress

BCA PROPOSAL	BANKS TASKFORCE RECOMMENDATIONS	INTERIM RESPONSE FROM COMMONWEALTH GOVERNMENT	ASSESSMENT
Transparency			
+ Consult those affected by regulatory proposals early and as proposals are finalised – provide adequate time for consultation	Develop whole-of-government consultation requirements and produce policy ‘green papers’ and/or exposure drafts for major and complex regulatory matters (Recommendations 7.5–7.7, 7.19, 7.21–7.23)	Recommendations 7.5, 7.6, 7.19 and 7.21 agreed but details on implementation not yet released. Recommendations 7.7 (business consultation website), 7.22 (relationship managers for regulators) and 7.23 (business experience for regulators) not yet responded to	?
+ Introduce a two-stage impact assessment process	No recommendation		×
+ Improve and strengthen RIS requirements	Improve and strengthen RIS requirements (Recommendations 7.8, 7.10, p. 155)	Agreed but details on implementation yet to be released	+
+ Release draft regulatory impact statements for public comment	Release draft RISs for consultation (p. 155)	Not yet responded to	?
+ Develop a methodology for measuring the costs to business of proposed regulations	Undertake cost-benefit analysis of regulatory options and mandate use of the Compliance Costing Tool in assessing regulatory options (Recommendations 7.2 & 7.3)	Government has committed to more rigorous use of cost-benefit analysis and provided \$1.1 million to develop the Business Cost Calculator (full detail of Taskforce recommendations now needs to be adopted)	✓
+ Release exposure drafts of all legislation for a minimum of 12 weeks consultation	Exposure drafts should be released for significant matters (Recommendation 7.6)	Agreed but implementation details still to be released	+
+ Develop Departmental Regulation Assessment Units	Develop in-house cost-benefit skills in departments and agencies (Recommendations 7.4 & 7.13)	Agreed but implementation details still to be released	+
+ Have all legislation come into effect on only one of two possible dates each year	No recommendation		×
+ Allow longer transition periods for the adoption of new regulations	No recommendation		×
+ Release all necessary subordinate legislation before primary legislation comes into effect	No recommendation		×
+ Have major Acts subject to only one principal amending Act each year	No recommendation		×

Exhibit 3 continues overleaf

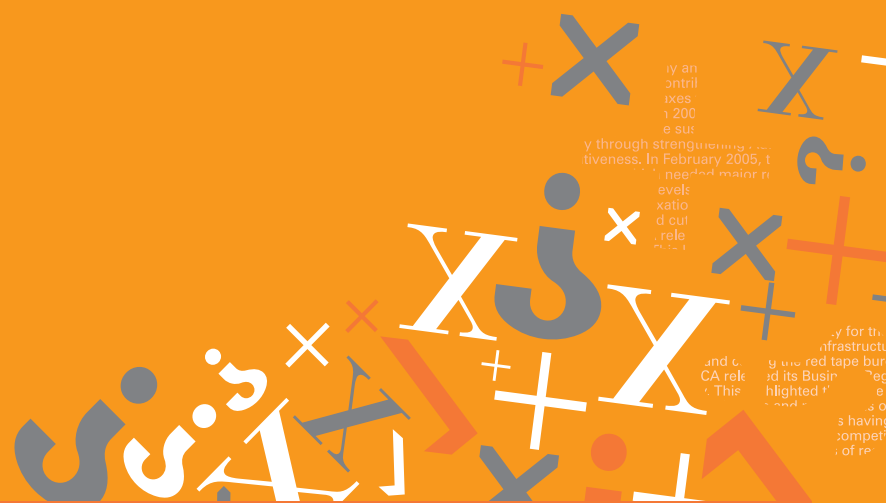
✓ positive decision + positive direction ? progress unclear × no progress

EXHIBIT 3: BANKS TASKFORCE AND COMMONWEALTH GOVERNMENT INTERIM RESPONSE, APRIL 2006

BCA PROPOSAL	BANKS TASKFORCE RECOMMENDATIONS	INTERIM RESPONSE FROM COMMONWEALTH GOVERNMENT	ASSESSMENT
STEP TWO: IMPROVE EXISTING REGULATION⁸			
Review 'Red Tape'			
+ Rationalise the regulatory burden imposed by multiple regimes	Review areas with significant jurisdictional overlap and develop a framework for national harmonisation of regulation (Recommendations 7.24 & 7.25)	Recommendation 7.24 agreed and being addressed through COAG. Recommendation 7.25 (harmonisation) not yet specifically responded to	+
+ Develop an annual review and 'red tape' reduction agenda	No recommendation	The Government has already committed to an annual review process to examine the stock of regulation and identify an annual red tape reduction agenda	✓
+ Have fixed terms or 'sunsetts' for all legislation introduced for specific purposes	Amend the Legislative Instruments Act to provide for 5-year sunset clauses, conduct selective post implementation reviews after 1–2 years and assess regulations not subject to sunset clauses every 5 years (Recommendations 7.26–7.28)	Not yet responded to	?
Improving the Performance of Regulators			
+ Clarify policy objectives of the legislation and hence regulators' objectives	Provide clear guidance to regulators on policy objectives and emphasise policy objectives in Ministers' Statements of Expectations (Recommendation 7.14 & 7.15)	Agreed but implementation details still to be released	+
+ Require regulators to operate consistently with this objective and report how this is achieved	Regulators should develop better performance indicators, reporting and reviews of decisions (Recommendations 7.16–7.18)	Recommendations 7.16–7.17 agreed but implementation details still to be released. Recommendation 7.18 (merit review) not yet responded to	?
+ Address overlap and lack of coordination between regulators	Regulators should establish standing consultative bodies, including to help improve coordination (Recommendation 7.20)	Agreed but implementation details still to be released	+
+ Regulators to focus on vibrant business sector as an objective	Develop a code of conduct covering regulators and regulated entities and ensure regulatory appointees have industry experience (Recommendations 7.21 & 7.23)	Recommendation 7.21 agreed but implementation details still to be released. Recommendation 7.23 (business experience for regulators) not yet responded to	?

✓ positive decision + positive direction ? progress unclear ✗ no progress

While regulatory reform commitments across Governments are welcome, reform commitments need to be translated into reform actions.



Notes

- 1 Business Council of Australia, *Business Regulation Action Plan for Future Prosperity*, May 2005, available at www.bca.com.au.
 - 2 This is a summary of the BCA's recommendations. A more detailed discussion is contained in the BCA's *Business Regulation Action Plan for Future Prosperity* (May 2005) and its *Submission to the Taskforce on Reducing the Regulatory Burden on Business* (December 2005), both available at www.bca.com.au.
 - 3 The Commonwealth Government has indicated that it will be releasing its final response to the Banks Taskforce report by the end of July 2006.
 - 4 See Regulation Taskforce 2006, *Rethinking Regulation: Report of the Taskforce on Reducing Regulatory Burdens on Business*, Report to the Prime Minister and the Treasurer, Canberra, January 2006, p. 146.
 - 5 Council of Australian Governments Communiqué, 10 February 2006, available at www.coag.gov.au.
 - 6 Also recommended by the Banks Taskforce; see Regulation Taskforce 2006, *Rethinking Regulation: Report of the Taskforce on Reducing Regulatory Burdens on Business*, Report to the Prime Minister and the Treasurer, Canberra, January 2006, Recommendation 7.12, p. 157.
 - 7 Regulation Taskforce 2006, *Rethinking Regulation: Report of the Taskforce on Reducing Regulatory Burdens on Business*, Report to the Prime Minister and the Treasurer, Canberra, January 2006, p. 146.
 - 8 In addition to the general reforms outlined here, business groups including the BCA made submissions to the Banks Taskforce identifying a wide range of regulations that business considered were adding unnecessarily to their compliance costs. The Taskforce made more than 100 recommendations on specific regulatory reforms that are now being considered by the Commonwealth Government. The Taskforce also recommended Governments develop means of comparing their regulatory performance across jurisdictions (Recommendation 7.29). The Commonwealth Government and COAG (Decision 5.3(a)) have accepted this recommendation and referred the matter to the Productivity Commission. The BCA supports this recommendation and the response of Governments.
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