

2022 CONFERENCE
REGULATORY REFORM
supporting business
investment and growth



16-17 FEBRUARY 2022
HYATT HOTEL, CANBERRA AND ONLINE

TRANSCRIPT OF EVENT

**2022 CONFERENCE | REGULATORY REFORM: SUPPORTING
BUSINESS INVESTMENT AND GROWTH**

DAY 1 – 16 FEBRUARY:

HIGHLIGHTS, KEYNOTE PRESENTATIONS

Enquiries should be directed to Caroline Walsh on 0413 139 427 or at Caroline.walsh@act.ipaa.org.au

Jeremy Hirschhorn:

So welcome to day one of the regulatory reform, supporting business, investment and growth conference.

Sandra Parker:

When you think about regulation, what is the first word that comes to mind?

Josh Frydenberg:

The pandemic has highlighted both the urgency and the renewed importance of the government's regulatory reform agenda. COVID has been a significant catalyst for change. It has accelerated the uptake of digital technology. Thousands of businesses have moved online and digitised part of their operations. How policy response, as you can see during this crisis help facilitate smoothly this shift. Our task now is to lock in these gains and to look for new areas of reform. This is exactly what we're seeking to do at today's conference in our broader policy approach.

Ben Morton:

From the time the lights go on in a business in the morning to the time they close the doors at nighttime, businesses around Australia are navigating the sea of regulations that we've imposed on them by government at all different levels. The regulations affect those businesses in relation to how they sell their products, how they interact with their customers, the location of their business and their activities, and the timing of their investments.

Ben Morton:

Deregulation isn't about removing all regulation. It's about the stock of the existing regulation. It's the flow of the new regulations that come through, but it's also the culture and the capability of our regulators. And that's why we've designed the Morrison Government's deregulation agenda around these three themes. Our deregulation agenda is delivering targeted reforms while also building the foundations for sustained regulatory reform. I liken regulation reform to painting the Sydney Harbour bridge.

Ben Morton:

You never finish. As soon as you've got to one end, you've got to go back and start again. We need to continue to always look at our regulatory sittings to ensure that they are fit for purpose. It will take time and sustained effort. It's never set and forget. We can achieve a lot more by working together, both from having regulators here, policy makers here, people from business representative organisations, from industry and from Academia coming together to ensure that our deregulation agenda is one that isn't about doing something that is ideological and feels good in relation to removing a redundant regulation, but is something that actually focuses at the culture, focuses surgically in relation to the stock of regulation, to see when we go back that the regulations have delivering the outcomes they are intended to, and also to ensure that we can improve our processes in relation to the consideration and of new measures.

Ben Morton:

So this deregulation agenda, isn't just about removing... In the past, you used to have deregulation agendas, which used to celebrate removing redundant regulations. Well, they were redundant, therefore they didn't impact on business because they were redundant. They made

us feel good that we got rid of them, but they made no impact on business. And businesses told us a deregulation agenda needs to focus on the way regulations are administered.

Jane Halton:

There's some quite good things that we've actually discovered during this last two years. Whilst we've seen cracks in our systems, we've also seen opportunities, opportunities to do things in a different way, to learn some lessons and to make some change. I've been perplexed actually, and surprised about exactly how much overlay and overlap there is in our regulatory system. You understand it from an intellectual perspective, I think when you are side government, but let me tell you, when you're sitting there with it all weight on the top of you, it's very heavy. There are some lessons that we can and should learn from our last two years of experience, our pandemic experience. We should absorb these lessons and we should bring them to bear in the post pandemic world. And it will be a tragedy, if we do not look, listen, learn, and then implement these lessons. We need our economy to be the best it can be.

Jane Halton:

And that means we actually do need business to be able to do business. We need to be able to grow. We need to be able to employ. We need to be able to inspire, and we need to be able to see a future with prospects and prosperity at its core. An unregulatory action is crucial to that. It is fundamental that there were points during the pandemic where we actually had a critical shortage number of medicines. We almost ran out of Panadol. Who would think of Panadol? But we almost ran out Panadol. And so being able to actually get an agreement with the ACCC that gave all the people in the industry to work together, to ensure that we could actually supply needed products to consumers, that was a good process. So when I asked people about what the experience was like, they said to me, "Well, why can't it be that fast all the time?"

Jane Halton:

Actually, we need those things to happen quickly all the time. So things we've done in this pandemic, can we put it into our regular practice? Don't slip back. Don't go back to business as usual. Think about speed. Think about complexity. Think about regulatory burden and overlay, but also ask yourself this question, "Why am I regulating? What is it I'm trying to actually manage and mitigate here as a risk? Is this the best way to achieve that outcome? How does this intersect with other people's bits of regulation?" So as practitioners, policy makers, opinion leaders, let me issue you this challenge, ask "Why?"

Simon Atkinson:

Good regulatory stewardship recognises that regulation does not operate in isolation. Rather, regulation is often just one aspect of government's overall footprint on a market and society. We need markets that are sustainable, accessible, competitive, efficient, safe, and secure. I abbreviate these to "success" in good public service ways. Sustainable means that the market is appropriately commercial and resilient to continue without subsidy interventions in foreseeable circumstances. Accessible means that it is appropriately accessible and resilient at an affordable price point. Competitive means that appropriate levels of competition are able to operate. Efficient means that the resources of the market are allocated efficiently, and the operation of the market achieves efficiency.

Simon Atkinson:

Safe means that the activities of the market are safe for people to interact with. And secure means that the market is appropriately secure from credible security threats. The challenge in

this market is that no one part of government holds the lever to create balance, key players in a government market map of aviation include my department, CASA, air services, ATSB, home affairs, border force, AFP, the ACCC, and several others. Effective regulatory stewardship will therefore be about making a judgement about the balance between all of these objectives, which is a key challenge for us as regulators and policy makers.

Simon Atkinson:

So, how do we ensure that all these actors and objectives are calibrated to deliver balanced success markets? This is the most challenging question for regulators and policy makers. How do we work together? No process is a substitute for true system collaboration, for people coming together, hearing each other's perspectives and more importantly, understanding the wisdom behind other people's perspectives, and co-designing policy and regulatory change to achieve the right balance to steward great markets together. Thank you.