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INSTITUTE OF
PUBLIC ADMINISTRATION
AUSTRALIA

IPAA
ACT

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, MASTERCLASSES

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Christie Sawczuk:

If we're thinking about designing the future of cross-border trade, it should be co-designed with business, and for business. And that goes back to why this is so essential from our economic growth point of view, but also fundamental to underpin our economic recovery. And then looking at those regulations, we then look to evaluate the effectiveness, and drawing on the good regulatory practice, the four key principles around justified and proportionate. Are they meeting a government objective? Regulations shouldn't be static. And that is fundamental in a cross-border trade context because our cross-border trade environment is constantly evolving. Then we look at whether or not the regulations are effective. Are they fit for purpose? Then are they efficient? Are they minimise the burden on the business that's complying with that requirement? But also looking at how do we minimise duplicate across those 28 government agencies, to ensure that regulations are not, again, providing that overly burdensome impact on businesses?

Christie Sawczuk:

At least 31% of regulations haven't been reviewed in five years. So again, some areas for reform. 22% of the regulations are duplicated in some way across agencies, and the fit and proper person tests, which I know will come up in this conference, is a great example where different agencies under different legislation are requiring businesses to provide similar sorts of information. And then also, at least 16% of the regulations are not fit for purpose for this time.

Sam Reinhardt:

Now most of the audience are the regulators, not the regulated. So they're particularly keen to hear, what does business want?

Stuart Fuller:

I think when you look at the export of services, there's really still a fundamentally simple solution that's needed in the Australian market, which is a national market for most of our services. We're still incredibly state based. But the impact that has on a national business that's then looking to export services, is quite intense. Because if you don't have a strong business at home, you can't then put the investment into export services abroad. Again, it's almost so simple, but it's the truth. So I think we need regulators to be really forward leaning in Australia, to drive this change. So I'm a great believer in the power and the force of the regulator, as long as we look at innovation for the user, not necessarily protection for the industry itself.

David Hazelhurst:

Actually we don't have control over the regulatory requirements. They're actually negotiated and set in discussion with other countries. Now, of course what we will say, and very often try and stick to our guns, is that actually, if it's good enough to eat in Australia, it ought to be good enough to eat in China, or in the UK. And therefore the Australian standard ought to be good enough. But it's always a negotiation. Believe it or not, forms need to be filled out in triplicate, in fact, I think it's quadruplicate. We actually use carbon paper to produce the certificates that are then issued. And someone has to manually put paper clips on the side of the carbon paper and the copies of these certificates and rule out lines, which go through some of the text in those certificates, depending on the good or the product.

David Hazelhurst:

Now you can imagine, that might excite a minister, particularly for example, minister Morton, with the opportunities that there might be to actually simplify that. But it's a requirement of the

EU, currently, that that happen. We've actually been able to secure with the EU to be the first country to go fully digital, in terms of certificates. And that's a huge breakthrough, but it means there'll be no more carbon paper, no more keeping of four copies of things, everything done digitally, with Europe.

John Burch:

A theme, I suppose, we heard from business. Again, it's a fairly sensible one. They're about insisting, pleading that they get one regulatory experience across the Federation. Obviously now, compared to 20 years ago, a lot of businesses have a footprint that goes much wider than their own stable territory. And yet, in regulated sectors, they're seeing different things for, essentially, the same type of regulation.

Cassandra Meagher:

So in 2018, the Service Victoria Act was passed, which enables Service Victoria to create an identity, as part of a transaction for a department. And then if the customer chooses to reuse that information, so whether it be a business or an individual, that can be saved and then reused for other transactions, thereby bringing into effect, Tell Us Once.

Lachlan Robb:

And when you have the state/federal delivered overlap, we saw that emerge a lot in literature, which focused on federalism theory. And there is pretty much an equal balance between the ones saying that this overlap is good, because nothing will slip between the cracks, and the literature, which says, this is bad because they will do, what's known as shirking responsibilities, going, it's their problem, it's not us, talk to them.

John Shepherd:

If we stay where we are with surveys, no one's going to want to play, no one's going to do anything like that anymore. We are so far behind what people are doing for STP. You know, how they're going to do their invoicing, everything's going to be digitised in 10 years time. We need to move. So that's for me, kind of says, we need to keep moving with that and plug into natural systems.

Erin Adams:

We could pull a lot of the information out, we could make it smarter. So if I was a business that didn't have staff, why should I see the staff questions? And why should I see it every time?

Jason MacDonald:

Most commentators focus on the practical benefits of licenced workers being able to easily move across borders, to work. Mobility is a key feature, though, of a dynamic productive and inclusive economy. Occupational licencing, though, is a state and territory responsibility. But governments have recognised for 30 years, the benefit of having a nationally consistent framework. So in theory, people have the right to apply to have their occupational registration recognised in another state or territory, but in practice, accessing mutual recognition costs time and money. A person applying for mutual recognition needs to complete new forms, providing the same old personal information and qualifications that have already been provided in their home state.

Jason MacDonald:

This includes certified copies, additional fees and delays while waiting for the assessment. So our consultation's found that many people work in multiple states and territories in any given year. For example, casual teachers in cross-border regions, qualified electricians delivering projects in different states, and fly-in, fly-out workers across Northern Australia. Having multiple colour-coded tickets in the back pocket is commonplace in many of these industries. Compare this with most health and legal professionals. For many years, they were regulated on a state-by-state basis before they all adopted national registration and accreditation arrangements.

Chris Archer:

Policy settings must be just right, or there are a lot of inefficient and unsafe outcomes. So it's all about getting the balance right. AMR has to protect consumers and workers on one hand, but if the policy settings are too tight, then they can be detrimental to consumers and workers. They prevent entry into professions, giving consumers less choice and restricting job opportunities for workers.

Denita Wawn:

So we were heavily supportive of AMR. We see it as a critical message to the community at large, that all governments are actually looking at how to make their lives easier, particularly those in the small to medium sized business. And we think it's a good first step to ensure that we're getting fundamental, easy deregulation and reform of licencing arrangements in our sector.

Jennifer Ranson:

Most importantly, is to be able to communicate the reforms and the opportunities that AMR presents to workers, businesses and consumers. So we're going to do a lot of that work over the coming months to make sure that the local tradie in Canberra, for example, or Albury–Wodonga, or on the border between New South Wales and Victoria know about this opportunity and are able to work across borders easier, and save money.

Jason MacDonald:

AMR is a simple and practical reform, which appears to be its strength. Perhaps the great satirist, P. J. O'Rourke, who died today, was right. The bigger the idea, the worse. But this small idea looks like producing significant gains for our community. PWC modelling suggests over \$2.4 billion added to the Australian economy over the next 10 years, when AMR is fully implemented. These are gains, not just for workers, but for all Australians. Thanks.