



Slash Red Tape To Build Sovereign Capability

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“Slashing red tape is mission critical to Australia’s ability to manufacture its own vital supplies, develop an advanced defence industry and drive the economic recovery from COVID-19,” said Daniel Wild, director of research at the Institute of Public Affairs.

Yesterday in Tasmania, Prime Minister Scott Morrison said the government is seeking to build sovereign manufacturing capability to support Australia’s economy and meet future defence needs.

“The Prime Minister is right to identify sovereign manufacturing capability as a critical area of public policy, but it is almost impossible to make anything in Australia today because of red tape and excessive government interference.”

On the back of the government’s announced progress in cutting red tape last week, which is expected to deliver \$21 billion in economic benefits over the next decade, the Prime Minister also said yesterday; “Sovereign capability in manufacturing is one of our five key points of the economic plan. And that plan is, firstly, to get taxes down...and cutting red tape.”



“While this is a good first step, much more needs to be done to take red tape cuts to the next level to secure Australia’s sovereign manufacturing capability and economic security,” said Mr Wild.

“Red tape is not just a Canberra-bubble buzzword. It affects the capacity of Australia to adequately prepare itself for the growing uncertainty and hostility in the Asia-Pacific region and there is no time to waste.”

Three examples demonstrate how red tape is stopping Australia from developing sovereign capabilities.

1. Green tape at the federal increased by 445 per cent between the year 2000 and 2020 under the Environment Protection and Biodiversity Conservation Act.
2. The largest iron ore mine in Australia, Roy Hill, required over 4,000 licenses, approvals, and conditions for the pre-construction phase alone.
3. Legal activism by green groups enabled by Section 487 of the EPBC Act has put \$65 billion of investment at risk in Australia by holding major projects up in court.

“Another key step would be for the government to abolish all environmental approvals for manufacturing, mining, and oil and gas projects that are critical to national security.”

“We don’t have time to be held up by pen-pushers in the bureaucracy. The experience of COVID-19 shows Australia must be able to build big and build fast,” said Mr Wild.

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