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TODAY'S RED TAPE CUTS NEED TO GO FURTHER DUE TO \$65 BILLION COST OF GOVERNMENT REGULATION TO ECONOMY

The cost of federal government regulation was \$65 billion in 2013-14, representing 4.2% of GDP, according to the release of today's Autumn Repeal Day report. This report by the federal government announced a further \$305 million in net red tape reduction decisions.

"These cost savings are certainly welcome but will only bring modest relief for business owners who are overwhelmed by paperwork and compliance burdens," says James Paterson, Deputy Executive Director at free market think tank the Institute of Public Affairs.

"Only major structural reforms will bring real assistance to thousands of Australian businesses that suffering under the red tape burden," says Mr Paterson.

An exclusive poll by Galaxy for the Institute of Public Affairs, conducted last month, showed that 48% of Australians believe there is too much government regulation on Australian businesses. Just 18% believe there is not too much government regulation.

The IPA has been calling on the government to focus on three key areas of reform in order to reduce the current regulatory burden on business:

1. Stop adding to the problem by passing thousands of new pages of legislation each year. IPA research shows that in 2014, the federal parliament alone passed 4,607 pages of legislation.
2. Repeal the Fair Work Act. The re-regulation of the labour market by the previous government drives up the cost of doing business and makes it harder for employers and employees to negotiate agreements that suit them best.
3. Prioritise the enactment of the one-stop-shop for environmental approvals for major projects, currently awaiting approval by the Senate. Devolving environmental approvals to state governments and avoiding double-approvals will fast-track major projects and increase investment.

The list of the federal government's deregulation initiatives announced as part of its 2015 Autumn Repeal Day can be found at www.cuttingredtape.gov.au. The results of the IPA's Galaxy poll on government regulation are available here: <http://ipa.org.au/publications/2343/australians-say-there-is-too-much-government-regulation-on-business>

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