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4,000 REGULATIONS AND APPROVALS REQUIRED FOR ROY HILL PROJECT GOVERNMENT MUST URGENTLY REDUCE COSTS AND BURDENS ON BUSINESS

As commodity prices continue to fall the government must urgently act by cutting expenses and compliance burdens on business, according to the Institute of Public Affairs.

“It has been revealed that Hancock Prospecting had to comply with over 4,000 government regulations, approvals, permits and licenses to get their Roy Hill iron ore project up and running,” says Hugh Tobin, Deputy Executive Director at free market think tank the Institute of Public Affairs.

“We can’t expect companies to continue investing in Australia when the government is making it so hard for them,” he said.

Australia ranks 124th out of 144 economies in terms of the burden of government regulation, according to the World Economic Forum’s 2014-2015 Global Competitiveness Report.

“Australia has very high costs compared to its competitors overseas. This has eroded our proximity advantage to Asia. With the iron ore price now so low, investment is going to continue to move offshore unless the government can significantly reduce expenses and compliance burdens for new projects,” said Mr Tobin.

Speaking at the 2015 Asia Mining Awards in Hong Kong, where she was awarded a Lifetime Achievement Award yesterday, Mrs Gina Rinehart, Chairman of Hancock Prospecting, warned:

“Exploration in Australia is falling, fewer businesses are opening than at any time in the last decade, and companies are focusing their efforts off shore high cost Australia.

In the realities our country faces, it should be obvious onerous government regulations adding delays and costs to business must be urgently and significantly reduced.

It should be obvious that high cost Australia with as mentioned, its declining productivity, must be cost competitive overseas, or face losing important markets and consequently much needed revenue,” said Mrs Rinehart.

Mrs Rinehart’s warnings coincide with recent findings in the ACCI 2015 National Red Tape Survey which found that 95% of Australian businesses reported that the regulatory burden has either increased or stayed the same over the past 12 months.

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