

CUT RED TAPE TO

UNLEASH  PROSPERITY

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RED TAPE COSTS THE AUSTRALIAN ECONOMY \$176 BILLION

New research by free market think tank the Institute of Public Affairs estimates that red tape costs the Australian economy \$176 billion per year – or 11 per cent of GDP. This is far greater than the Commonwealth Government’s current estimate of \$65 billion per annum.

Red tape costs translate into a staggering \$19,300 per household in Australia.

According to the World Economic Forum’s Global Competitiveness Report 2015-16, Australia ranks 80th in the world for burden of government regulation.

“This means we are in the bottom half of the world rankings when it comes to red tape. All that red tape has very real consequences.

“Every minute employees spend pandering to red tape requirements, is a minute those employees are not dedicating to entrepreneurial innovation and economic activity” said Mr Berg.

“Only by cutting red tape will the Turnbull government and Shorten opposition be able to deliver the economic growth and prosperity they are promising”, said Chris Berg, senior fellow at the Institute of Public Affairs today.

The IPA has identified red tape as the biggest priority facing the next Australian government. Red tape reduces entrepreneurship, is a handbrake on economic growth, and hurts Australia’s international competitiveness.

“That makes red tape a larger industry than the mining industry, which is 7 per cent of GDP, the manufacturing industry, which is 6 per cent of GDP, and agriculture, which is 2 per cent of GDP”, said Mr Berg.

The Turnbull Government and Shorten Opposition need to outline how they plan to address this significant issue that is strangling the Australian economy.

The report, Red tape: the \$176 billion tax on our prosperity, is available [here](#).

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