The Australian Industry Group
NATIONAL CEO SURVEY:
Business Regulation

September 2011

AUSTRALIAN INDUSTRY GROUP   Deloitte.

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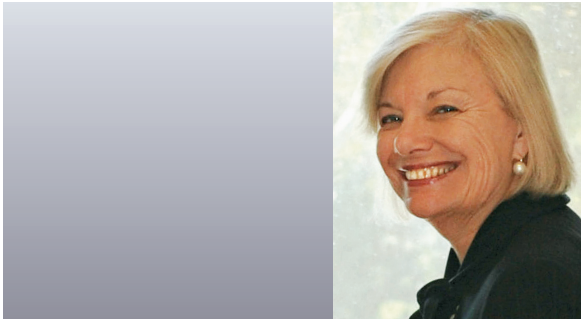
Foreword

Ai Group



We all know that the regulatory environment plays an important role in businesses innovation and growth. The results of this Ai Group National CEO Report are an alarming wake-up call. The message is clear – despite all the efforts on regulatory reform by governments in recent years, the compliance burden associated with business regulation is rising, not falling.

The average Australian business deals with eight regulators in a given year and spends close to 4 per cent of their total annual expenditure on complying with regulatory requirements. Moreover, on balance, CEOs perceive business regulations to be too inflexible; overly complex and often too complicated to understand.

This report highlights that business regulation is currently acting as a constraint on Australia's productivity. At a time when Australia's productivity performance is lagging that of major competitors and businesses need to lift productivity, these results suggest a clear need for renewed effort on reducing the regulatory burden.

Key areas of regulation identified as requiring intensified effort include occupational health and safety, workers compensation, industrial relations and regulations affecting trade across State boundaries.

These results all point to the need to accelerate the reforms under the Council of Australian Governments (COAG) seamless national economy initiative and to consider the impact of industrial relations legislation on the flexibility with which labour can be utilised. Moreover, there also needs to be renewed effort on state-based regulatory reform initiatives.

Environmental protection regulation is also identified as a major cause of the rise in compliance costs over the last three years and carbon pricing and other environmental regulations are two of the top three expected causes of future rises in compliance costs.

The survey results suggest the following are immediate priorities to ensure that the regulatory burden is reduced and that regulations facilitate business innovation and growth:

- Accelerate the implementation of the recent COAG reform initiatives.
- Review State government based initiatives and programs related to reducing the regulatory burden for effectiveness and robustness of claimed estimates of burden reductions achieved. This also includes reconsidering the methodologies for measuring the impacts of regulatory reform initiatives.
- The regulatory impact statement process needs to be applied consistently and transparently to reduce inefficient regulation.
- Improve regulatory agency interaction with the business community on regulatory changes and proposals. Consultation is crucial and governments should introduce less onerous consultation processes which attract business participation.
- Examine the quality and nature of regulation and how efficiently regulatory agencies administer these regulations. There is merit in the Australian National Audit Office Better Practice Guide to Administering Regulation being adopted by Australian regulators at all levels of government. Moreover, regular 'health checks' to ensure regulatory agencies are efficiently implementing regulations and not imposing additional and unnecessary burdens on business should be initiated.

Heather Ridout
Chief Executive
Australian Industry Group

Deloitte

This report reveals that, Australian businesses are facing high costs of compliance and they believe that this is only going to get higher.

Not only is an estimated 3.9% of total annual expenses across sectors currently spent on direct compliance, but three out of four respondents to this survey agree that costs are expected to increase in the next three years.

This is largely driven by changes in regulations governing occupational health and safety and the introduction of the carbon tax.

Certainly assessing either the direct impact and or indirect flow-through impact of the fixed carbon price from 1 July 2012 and preparing for the introduction of an Emissions Trading Scheme with international linkages from 1 July 2015, should be a priority and businesses need to prepare now for its introduction.

The challenge for senior executives and boards is to look at regulation and compliance in three ways. Firstly to ensure their organisation is compliant. Secondly, to look across all regulatory and legislative change to ensure efficiency in the organisational response. Thirdly, to develop strategies to seize the opportunities that will arise from regulatory change.

In light of the current uncertain global economic climate and the high Australian dollar, any moves by government to simplify complex, costly, redundant or repetitive regulation would be welcomed by the business community.

John Meacock
Managing Partner, NSW
Deloitte

Executive Summary

Costs of business regulation

Direct costs

- The direct costs of complying with business regulation are high.
- The average business spends close to 4 per cent of total annual expenditures on complying with regulation.
- Around 80% of total compliance costs are in the form of payments made to external service providers (accountants, lawyers etc).

A barrier to growth and innovation

- Business regulation is acting as a barrier to growth and innovation.
- Around one-third of CEO respondents indicate regulations are a substantial barrier to employing more staff – a critical area for business growth.
- Regulations are also hindering exporting and importing activities.
- Industrial relations regulations are hampering the ability of CEOs to change work practices, in effect stifling workplace productivity.
- In terms of the different stages of regulatory processes, two-thirds of respondents report that waiting for regulatory decisions is associated with the greatest costs.

Main areas requiring compliance time

- Occupational health and safety (OHS) and workers compensation schemes require the most compliance time according to 15 per cent of respondents.
- Complying with regulations associated with importing and exporting activities is the most time consuming compliance activity for around 10 per cent of businesses.
- Also 9.2% of respondents said that compliance with other regulations associated with employing workers (superannuation, monitoring award changes) is highly time consuming.
- Complying with regulations associated with building and construction activities is also time intensive for a significant proportion of businesses.
- Larger (100 employees or more) businesses spend relatively more time (27.2 hours per week) compared to medium (16.8 hours) or small businesses (7.3 hours) on compliance related activities.

The change in compliance costs over time

- Close to 70 per cent of respondents have experienced a rise in compliance costs over the past three years. Further, around 75 per cent of respondents expect a rise in compliance costs in the next three years. For example, environmental protection regulation is identified as the major cause of the rise in compliance costs over the last three years by around 14 per cent of respondents.
- The rise in compliance costs over the last three years has been driven by greater demands relating to OHS, environment protection and taxation.

Carbon pricing

- Around 37 per cent of respondents anticipate that carbon pricing-related regulation will be the major driver of increased compliance costs in the next three years.
- This reinforces the importance of making a concerted effort across the federation to clean out the wide array of existing measures related to greenhouse gas abatement.
- In view of the fact that direct compliance costs associated with carbon pricing will only fall on around 500 businesses, this result is likely due to the considerable uncertainty over the scope and application of the proposed carbon tax. It points to the need for business to have access to balanced and credible information about the nature of the proposed measures.

How is the Australian regulatory system working in practice?

Red tape

- Businesses experience the greatest amount of red tape (excessive paperwork, delays, difficulty accessing information) in dealing with industrial relations and workers compensation regulatory agencies.
- In contrast, regulatory agencies addressing corporate governance, fair trading, consumer protection or environmental protection reportedly involve less red tape.

Excessive and/or unnecessary regulations and inconsistent application

- Businesses commonly raise two concerns:
  - Regulation is often overbearing and lacks an understanding of industry conditions.
  - Regulation is not always applied consistently across Australia.

Duplication of regulatory requirements is prevalent

- Close to 20 per cent of businesses believe there should be some consolidation of information provided to regulatory agencies, including:
  - Workers compensation and workplace incident reports to State and national OHS regulators.
  - Payroll tax across different States.
  - Business activity statements.

Information provision by regulatory agencies and Standard Business Reporting

- Around one-fifth of respondents believe regulatory information is difficult to find or not available at the Federal and State levels of government. This increases to around one-third of respondents in relation to local government regulatory information.
- The Federal Government's Standard Business Reporting (SBR) Program has not been widely taken up by businesses; is not well understood; and expectations of its benefits amongst CEOs surveyed are relatively low.

Policy priorities

- CEOs ranked the following policy measures to address regulatory compliance burdens most highly:
  - Reduce the frequency of reporting requirements.
  - Establish reliable electronic and web-based reporting.
  - Single location or website for all regulatory information and announcements.
  - Rationalisation of the number of regulatory agencies.
  - Reducing duplication of regulation across local government boundaries (planning regulations for example) and across State borders (payroll tax for example).
- The survey results suggest an urgent need to renew efforts to reduce regulatory burdens. In particular:
  - Recent initiatives through COAG to promote a seamless national economy are important but need to be accelerated as businesses are clearly indicating the intended benefits of these reforms are slow to materialise.
  - State government based initiatives and programs related to reducing the regulatory burden need to be reviewed for effectiveness, including ensuring methodologies for measuring the impacts of their regulatory reform initiatives are sound and more importantly, measure whether there has been a net decline in the regulatory burden being imposed on businesses. The regulatory impact statement process needs to be applied consistently and transparently to reduce inefficient regulation.
  - Governments also need to consider how they interact with the business community on regulatory changes and proposals. Consultation is crucial and should continue but governments need to invest in less onerous consultation processes which do not impose an additional burden on businesses. The importance of efficient consultation processes has been recently highlighted by the Productivity Commission in its recent Annual Review of Regulatory Burdens on Business.
  - There is merit in the Australian National Audit Office Better Practice Guide to Administering Regulation being adopted by Australian regulators at all levels of government and regulatory agencies undergoing regular 'health checks' to ensure these agencies are efficiently implementing regulations and not imposing an additional and unnecessary burden on business.

Introduction

Australian governments at all levels regulate a number of business activities and processes, including the physical production of goods and services and wage negotiations. Business regulation is essential for ensuring the rights of employers, employees and the general public are protected, and in many cases helps to facilitate economic growth. From a business perspective, however, complying with regulatory requirements can require both time and money. As Gary Banks, Chairman of the Productivity Commission, observed:

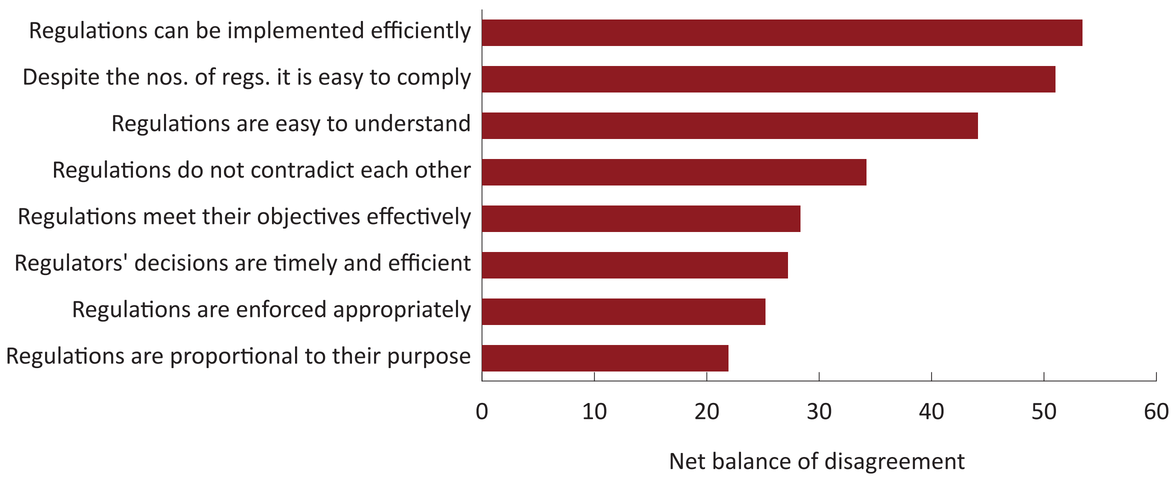
> *"…regulations not only create paperwork, they can distort decisions about inputs, stifle entrepreneurship and innovation, divert managers from their core business, prolong decision-making and reduce flexibility. To put this in perspective, one American analyst (Hopkins 1996) has suggested that paperwork-related compliance burdens amounted to only around one-third of the aggregate regulatory burden in the USA. Were a similar multiplier to prevail in Australia, aggregate business compliance costs could amount to as much as 7 per cent of GDP."*[1]

Business regulation that is inefficient or unnecessary will impose undue costs on businesses. This Ai Group National CEO Report, exclusively sponsored by Deloitte, focuses on how Australia's regulatory system is working in practice and if there are any areas of the system that can be improved in order to minimise unnecessary compliance costs. Around 320 CEOs were surveyed regarding their experience with business regulatory regimes across Australia. National results are presented in the following sections and Appendix A provides an analysis by States while Appendix B provides additional details about the survey sample.

Chart 1 shows that, on balance, CEOs perceive business regulation as:

- Being too inflexible for efficient implementation.
- Consisting of too many rules which make compliance difficult.
- Too complicated to understand.
- In conflict with other regulations.
- Not meeting objectives efficiently.
- Not administered in a timely and efficient way.
- Not enforced appropriately.

CHART 1: Business views on regulation



[1] Banks, Gary (2003), 'Economics and Regulation: The good, the bad and the ugly: economic perspectives on regulation in Australia', Address to the Conference of Economists, Business Symposium, Hyatt Hotel, Canberra, 2 October, 2003.

Costs of Business Regulation

From a business perspective, government regulation involves a number of direct and indirect costs. Direct costs may include the time it takes to do activities such as paperwork or applying for permits, as well as any financial costs associated with hiring external experts or paying government fees and charges. Indirect costs could occur, for example, if regulation distorts business decisions or restricts flexibility and investment spending. This section provides a sense of how large the direct and indirect costs of business regulation are and how this has changed over time.

Direct compliance costs

For the average business, direct compliance costs represent close to 4 per cent of total annual expenses. Direct compliance costs include internal compliance activities and outsourcing costs. For the average business in this survey, the internal compliance activity costs amount to 0.7 per cent of total annual expenses and translates to spending an average of 13.3 hours a week on compliance activities.[2]

A business often complements completing compliance work internally by using a specialised outsourced service. Accounting and legal work associated with the establishment of a business or acquisition of property, for example, is frequently outsourced. The survey finds that, on average, the outsourcing cost of regulatory compliance tasks amounts to 3.2 per cent of total annual expenses.

Together, these direct costs represent close to 4 per cent of total annual expenses.

Businesses on average deal with 8 separate regulatory authorities and in addition to their outsourced costs, spend 13.3 hours per week complying with regulatory requirements (Chart 2).

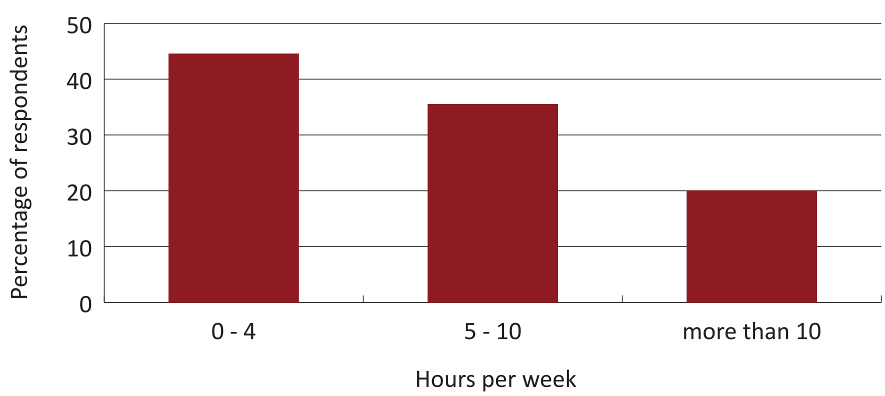
The average compliance time varied between businesses in the manufacturing, services and construction sectors. Manufacturers report the lowest compliance time (12.1 hours), followed by businesses in the service sector (15.6 hours), and the construction sector (20.7 hours).

Larger (100 employees or more) businesses spend relatively more time (27.2 hours per week) compared to medium (16.8 hours) or small businesses (7.3 hours) on compliance related activities.

Other direct costs

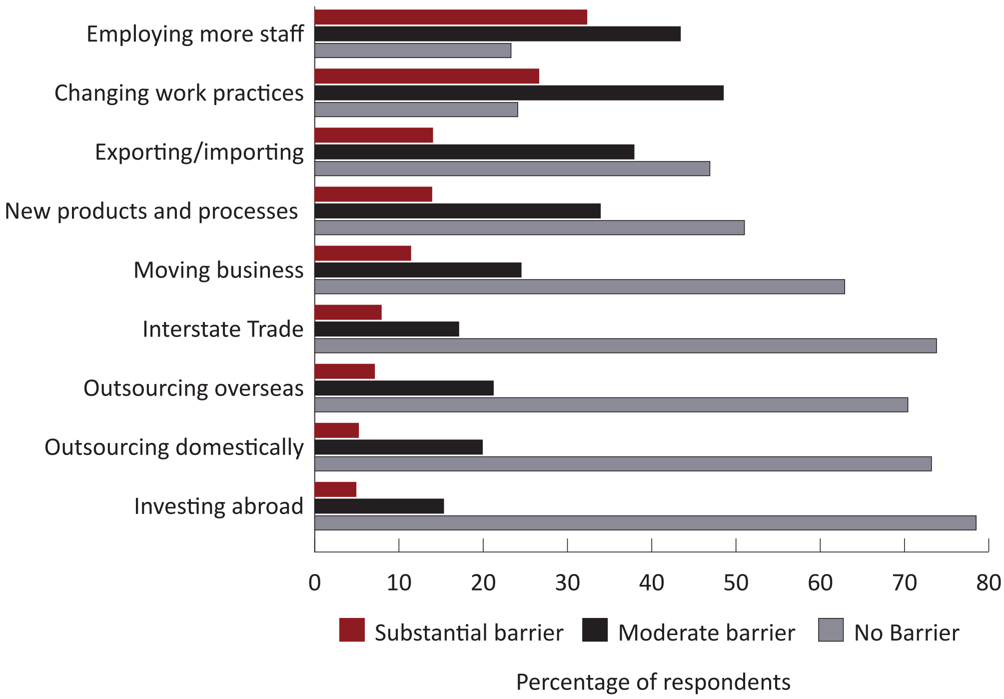
In addition, businesses often have to pay for licenses, certificates, permits or similar documents in order to conduct business activities. On average the cost of government fees and charges amounts to 2.6 per cent of total annual expenses.

CHART 2: Time spent on compliance tasks



[2] This cost estimate assumes the average business operates 50 weeks per year and is costed at the skill level "accountant" as defined in Mercer (2011), Quarterly Salary Review, March 2011 edition.

CHART 3: Indirect costs of business regulation



A barrier to growth and innovation

Efficient regulatory systems can play an important role in facilitating business innovation and growth. They can spur businesses to implement new and different production technologies, reorganise their workforce to achieve maximum productivity, seek new markets with minimal transaction costs and build networks both domestically and globally.

The Ai Group survey assesses the extent to which business regulatory requirements act as a barrier to, or a facilitator of, business activity and growth. The results suggest that business regulation is acting as barrier to business productivity and growth. For example, around a third of CEO respondents state that business regulations act as a substantial barrier to employing more staff (Chart 3).

Other activities hindered by business regulations are:

- Changing work practices.
- Exporting or importing.
- Introducing new product lines, processes or services.

Taking the introduction of new product lines, processes or services as an indicator of innovation, close to 48 per cent of businesses report that government regulations present a barrier to innovation.

Being able to employ more staff and/or change work practices is critical to the success and growth of a business. However the survey suggests that regulations affecting these decisions – particularly industrial relations regulations, are constraining businesses from improving their use of labour resources. These results are consistent with findings of Ai Group's recent survey on the impact of the Fair Work Act.[3]

Small businesses are especially vulnerable in this area with 51 per cent stating that regulations acted as a deterrent to employing more staff.

At a time when Australia's productivity performance is lagging that of major competitors and the impetus is on businesses to lift productivity, these results suggest that there is room to further reduce the regulatory burden and free up the innovation and productivity potential of businesses.

[3] Ridout, Heather (2011), 'The FAIR WORK ACT – The Barriers to Productivity Improvement Need to be Addressed', Speech to 10th Annual Workforce Conference.

In contrast, the survey identifies that business regulation is not perceived as a significant barrier to:

- Investing abroad.
- Trading across State borders.
- Outsourcing to domestic or overseas suppliers.

A further breakdown of business compliance costs

Respondents identified the areas of business regulation that are the most time consuming (Chart 4).

Main areas requiring compliance time

Occupational health and safety (OHS) and workers compensation schemes require the most compliance time according to 15 per cent of respondents.

Around 10 per cent of businesses stated that compliance with regulations associated with import/export activities are the most time consuming.

A similar percentage (9 per cent) of businesses reported that regulations pertaining to employment (such as superannuation, monitoring industrial relations legislation) was highly time consuming.

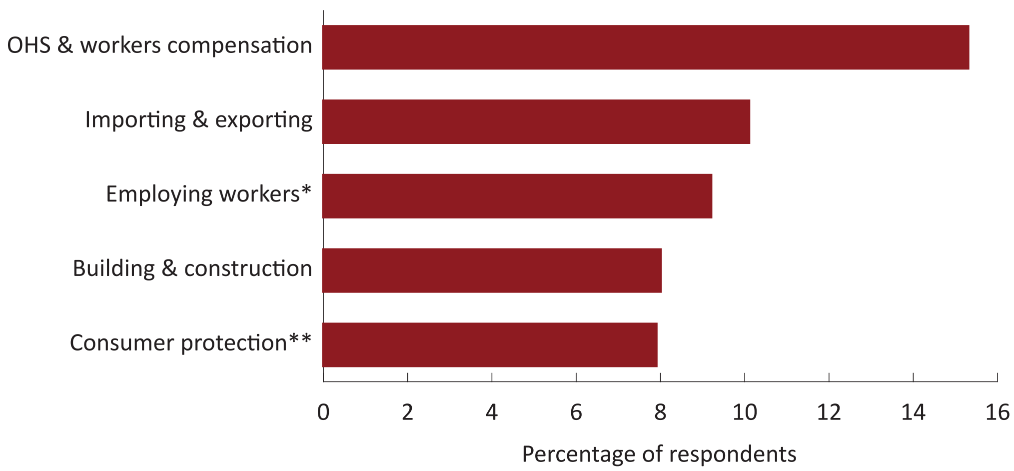
Complying with regulations associated with building and construction activities or consumer protection is also time intensive for businesses.

The results confirm a number of trends and realities about OHS. They reinforce the importance of ensuring that OHS regulation is not merely tough, it is innovative, responsive and reflective of the capacity of organisations to absorb and respond effectively to it. Adding ever more regulation onto a heavily regulated area produces classic diminishing returns. Harmonisation of State differences is a case in point. It is very difficult to justify making a national company comply with up to nine different regulations on the same subject matter.

It is imperative that the OHS reforms under COAG are implemented sooner rather than later in order to reduce the regulatory burden currently being experienced across Australia.

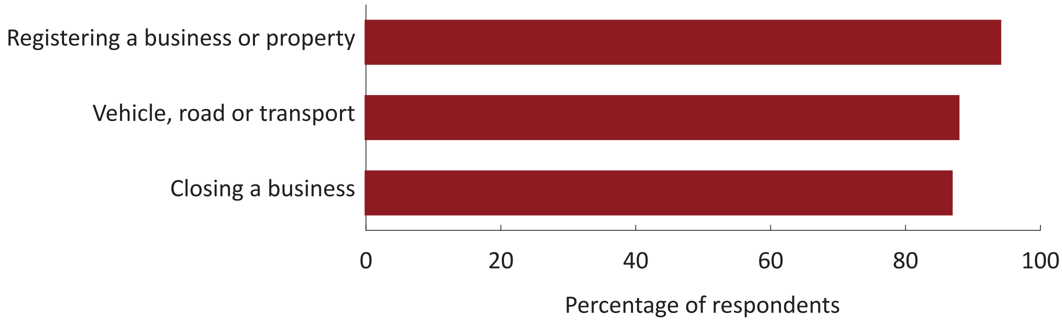
Businesses also report that complying with regulations associated with trading across national borders and employing labour is time intensive. Both of these areas are particularly important given the current economic environment. Being able to tap into international markets is crucial for businesses operating in global supply chains. The more efficient that business regulations governing this access can be made, the better off businesses will be. In relation to employment of labour, the results point to the need for more efficient and less onerous regulations which enable businesses to flexibly employ labour to meet changing economic circumstances.

CHART 4: Most time consuming areas of business regulation



*Other regulations relating to employing workers (non-OHS and Payroll tax) e.g. superannuation, monitoring award changes
**Inspections, labelling, product safety, compliance with advertising regulation

CHART 5: Least time consuming areas of business regulation



In contrast, registering a business or property is rated as the least onerous in terms of compliance time (Chart 5). However, for most businesses this activity occurs infrequently and is likely to be outsourced.

Waiting for regulatory decisions is the most costly stage of the regulatory compliance process

CEOs compared the 'costliness' (in terms of time and money) of the different stages of a given regulatory compliance process. Chart 6 provides a ranking of those stages that are rated as high cost. Most notably, 'waiting for regulatory decisions' is associated with the highest cost by nearly two-thirds of respondents.

Involvement in consultation about the development of new or changes to existing regulatory arrangements is also highly costly for a higher number of respondents. This suggests that while undertaking consultation with the business sector is important in the design and implementation of new or existing regulations, this consultation needs to be designed in a way that is efficient and timely for businesses.

The recommendations made by the Productivity Commission in its recent Annual Review of Regulatory Burdens on Business highlight the importance of efficient regulatory consultation processes. Incorporating a 'consultation' regulation impact statement in the regulation making processes as well as monitoring and reporting on the quality of consultation are worth considering at all levels of government.

Changes in compliance costs over time

The past three decades has seen many changes in the business regulatory environment. The OECD notes that Australia owes much of its current economic resilience to previous regulatory reforms which, amongst other things, have included:

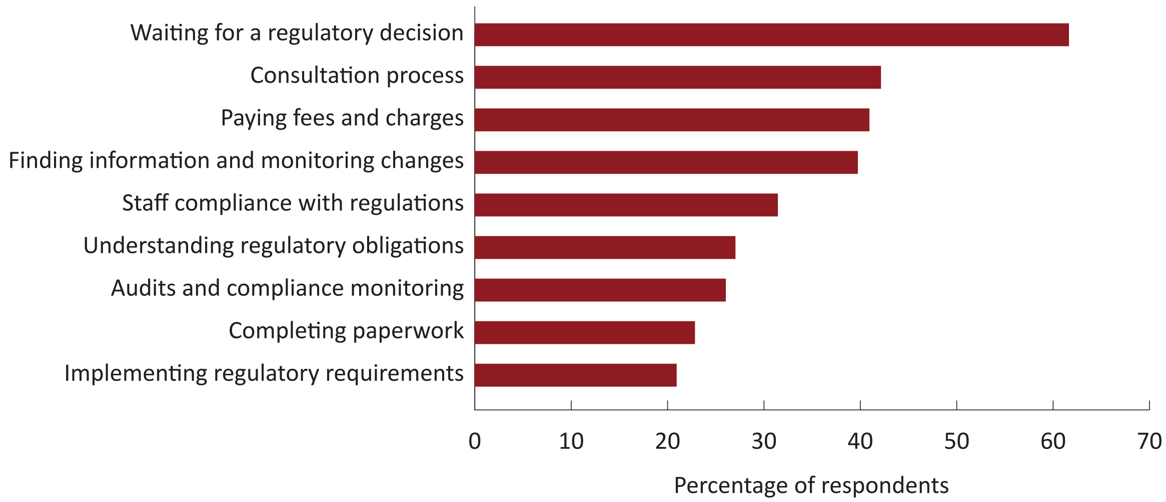
- Domestic market reforms, including a national competition policy.
- Opening up of Australia's economy via trade and financial market liberalisation.
- A renewed awareness and effort for regulatory reform through measures to reduce the 'regulatory burden' on business and ensure the quality of regulatory systems intended to promote productivity (e.g. the Regulation Taskforce report *Rethinking Regulation*).

More recently, COAG has sought to reduce the costs to business, and the community more broadly, that arise from differences in regulation across jurisdictions in Australia. The seamless national economy initiative seeks to improve the national coherence of regulation and reduce its costs while maintaining or enhancing its effectiveness. This has involved various review processes, including the establishment of the COAG Reform Council.

Compliance costs are rising, not falling

Despite the recent renewed effort on regulatory reform, this has not yet translated into meaningful gains according to the official productivity statistics which show that Australia's productivity performance is weak and waning.[4] Moreover, in terms of business regulation

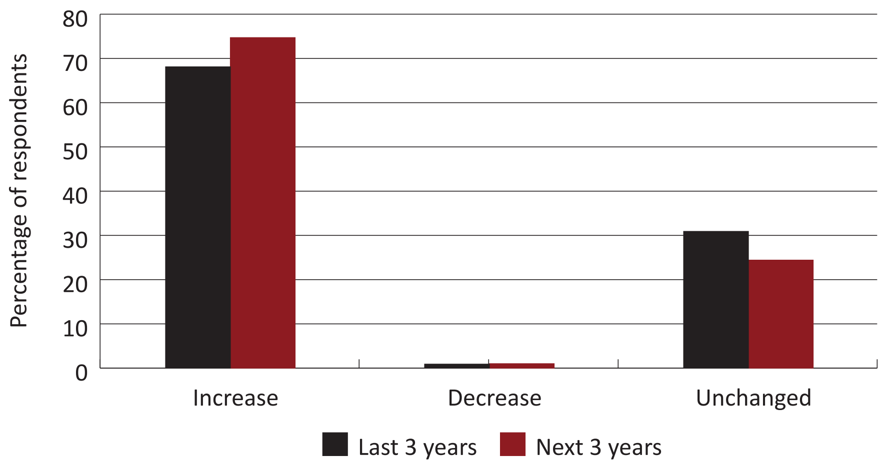
CHART 6: Most costly stages of the compliance process



compliance costs, this Ai Group survey finds that close to 70 per cent of respondents have experienced a rise in the past three years in their total costs of complying with regulations.

Chart 7 also shows that CEOs expect an increase in compliance costs during the next three years. Approximately 75 per cent of respondents state that they expect total costs of complying with regulation to increase in the next three years. In other words, during a period when there has been a concerted effort to reduce the regulatory burden on business and claims by governments of regulatory burden targets being achieved, the compliance costs have increased, not decreased. These costs are expected to further increase in the next three years.

CHART 7: Past and expected changes in compliance costs



[4] Eslake, Saul (2011), 'Productivity', Paper presented to the annual policy conference of the Reserve Bank of Australia, August 2011.

Areas of past changes in compliance costs

What have been the drivers of the rise in compliance costs over the last three years? Approximately 30 per cent of respondents cite changes in regulations governing OHS as the major cause (Chart 8). In comparison, around 14 per cent of respondents list regulations pertaining to the environment as the major cause of the rise in compliance costs.

These results do not mean that businesses do not welcome regulatory changes across these areas – often regulatory changes are made which ultimately benefit businesses. However, the burden associated with complying with ever shifting regulatory goalposts is obviously an issue.

Anecdotally, a CEO expressed his experience with OHS regulations:

> *"The level of documentation required does not add value to safety outcomes and the interpretation of audit criteria by federal safety officers is too variable to provide certainty on what is required."*

Areas of expected future compliance costs

Carbon pricing

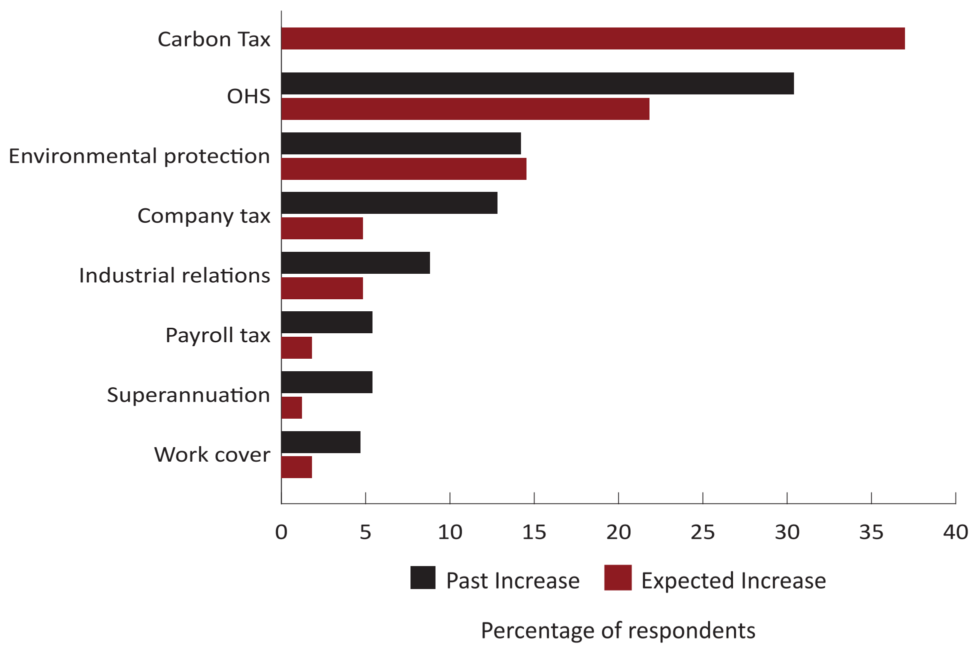
The expected rise in compliance costs associated with business regulation clearly demonstrates the anxiety associated with the introduction of a carbon tax (Chart 8). About 37 per cent of respondents see this as potentially the major cause for increased compliance costs in the future. While this can be partly explained by the fact that at the time the survey was undertaken there was some uncertainty regarding the scope and application of the proposed carbon tax, it does point to ongoing uncertainty regarding the impact of regulations associated with carbon pricing on the broader business community.

Other areas

Beyond the carbon tax, 22 per cent of respondents see further regulations in the OHS area as leading to ongoing increases in the costs of doing business. In addition, further (non-carbon) environmental regulation is expected to be a source of additional compliance burden in the next three years. The results suggest that business CEOs are not confident that tangible benefits will be achieved under the COAG business regulation reform agenda or, if the estimated compliance cost savings are believed, there is some concern that these will be swamped by new regulations which will more than offset the gains. To put it in the words of one CEO:

> *"...Government wants business to do more and more of its work. Not only do we collect taxes but we have to involve ourselves with their social programmes..."*

CHART 8: Major causes of PAST and expected FUTURE increases in compliance costs



How is the Australian regulatory system working in practice?

Business CEOs provided feedback on how Australia's regulatory system is working in practice. In particular, businesses identified the level of red tape they face when dealing with different regulatory authorities, and the extent to which they face unnecessary or excessive regulations and duplication in reporting requirements. In addition, businesses identified how effective governments are in communicating and providing information about regulation.

Red tape

The survey compares the amount of red tape (excessive paperwork, delays, difficulty accessing information) businesses face when dealing with different regulatory agencies at all levels of government (Table 1 and Chart 9). The survey identifies that businesses experience a high amount of red tape when dealing with industrial relations and workers compensation regulatory agencies. While these results may simply suggest that businesses

Table 1

HIGH Red Tape:	(Per cent of respondents)
IR, employment, workers compensation agencies	28.1
OHS agencies	25.2
LOW Red Tape:	(Per cent of respondents)
ASIC	72.6
Fair Trading agencies	69.9
ACCC	67.8
Food safety agencies	66.2
Natural resources agencies	65.6

CHART 9: Level of red tape associated with regulatory authority

are more likely to have dealings with these agencies, nonetheless they are still pointing to the importance of efficient and well-resourced regulatory agencies in this area. Hence the task for the COAG reforms in the OHS area, for example, are not only about effective legislation, but also about ensuring there are better and uniform approaches across Australia for State based agencies administering the regulations.

In contrast, regulatory agencies addressing corporate governance, fair trading, consumer protection or environmental protection reportedly involve a low red tape burden for businesses.

Box 1: An example of regulation lacking an understanding of industry conditions

The water heater manufacturing industry is regulated by numerous standards and schemes across multiple jurisdictions at both State and Federal levels. For example, regulations cover electrical and gas safety; minimum performance standards; product rebate, energy efficiency, renewable energy schemes, as well as the proposals to ban electrical storage water heaters. In addition, the carbon tax will impact directly on the costs of blowing agents, refrigerants and steel. In the past 12 years, the water heater manufacturing industry has faced 60 regulatory regimes and scheme changes.

The industry's prospects are dim. Poor regulatory planning, integration and implementation have cast the threat of product bans on more than two thirds of the current product range. To further add to the sector's woes, the carbon tax will increase the cost differential between domestic and imported products. There is no regulatory mandate to purchase the locally made products. Specific instances of regulatory burdens include:

Gas water heater Minimum Energy Performance Standards:

Regulatory announcements by the Ministerial Council on Energy (MCE) in 2009 and the Department of Climate Change and Energy Efficiency (DCCEE) in 2010 caused Australian manufacturers of proposed regulated products to invest heavily in R&D and new manufacturing plans to meet an announced deadline (December 2010).

State governments have failed to introduce the required regulations missing the 2010 deadline. Further, some State governments do not have the authority to regulate gas products as originally proposed by the MCE and DCCEE. The new investment plant and equipment now sit idle.

The delays and uncertainty for Australian manufacturers are causing ongoing financial cost, waste, dislocated production planning and materials management issues.

Ban on electric storage water heaters:

In 2010 the MCE banned electric storage water heaters against industry request for a controlled phase out instead of an outright ban. Regulators hoped that this ban would increase the use of renewable (solar) and high efficiency electric heat pump technology products.

To date, only South Australia has implemented the ban. Australian Bureau of Statistics (ABS) figures on sales of imported gas instantaneous hot water systems (the next cheapest installation option) show an increase of 25% from 2009 to 2010. The industry concludes that the ban on domestic electrical storage systems shifted business to imported instantaneous hot water systems rather than faster adaptation of renewable technologies. Consequently, other States, are now rethinking their commitment to the ban.

The water heater manufacturing industry has solid arguments questioning the desired greenhouse outcome that motivated the ban.

The result of the ban is lost business for Australian manufacturing; further uncertainty for Australian manufacturing because of the lack of regulatory harmonisation; installers using regulatory exemptions to bypass the system when pressured by consumers; consumers paying more for hot water (where gas is not reticulated and bottles are used) and potentially little net gain in GHG performance over the long term. The industry has recently been informed that on top of the proposed bans, the Commonwealth intends to raise the minimum performance standard for electric water heaters because New Zealand and Tasmania have decided not to ban the products. If introduced, a higher standard would require significant R&D and plant investment by manufacturers in a technology already slated to be banned.

Box 2: An example of inconsistent regulation

The consistency of business regulation across Australia has become an increasingly important issue for businesses in Victoria and New South Wales that are trying to take advantage of the opportunities that stem from the large pipeline of resource projects that are commencing in Queensland and Western Australia. For example, Ai Group members in New South Wales have found that training and accreditation requirements can differ between States and even between mines. Despite their staff having a number of years of training and experience, some members have estimated that it will cost them close to $6,000 per person to obtain the necessary accreditations to work on the Bowen Basin in Queensland. This is a significant cost for businesses that are already facing challenging business conditions due to the high level of the Australian dollar.

Excessive regulations and inconsistent application

The survey highlights how business regulatory systems are working in practice by identifying specific regulations considered by CEOs as either excessive and/or unnecessary. Two common areas of concern are raised:

- Regulation is sometimes seen to be overbearing, and to lack an understanding of industry conditions (Box 1).
- Regulation is not always applied consistently across Australia (Box 2).

Superannuation, OHS, payroll tax, and workers compensation schemes are commonly cited by businesses as being connected with excessive or in some instances unnecessary regulation. In particular, a number of businesses express concern over the increased workload that has resulted from legislative changes that allow employees to choose their own superannuation funds. This is a particular concern for businesses with high staff turnover levels and small businesses – highlighted by one small business that notes that it has

Box 3: What CEOs say…

…about OHS and workers compensation regulations

- Excessive internal record keeping, licenses, permits, etc less documentation! Tradesmen spend a lot of time completing OHS documents for EVERY job they do.
- Some rules and regulations are unrealistic and others require triple manpower to do the job, increased costs.
- Give us national standards
- Worksafe /Aust standards too broad in their application of some safety specifications
- Different systems for each State
- More work needed to understand industry needs
- Outsource or streamline the case management of claims and let companies have a choice of insurer
- Too much regulation; lack of knowledge with industry conditions
- Regulation for each job. Lack of consultative work
- Federal OHS accreditation where there is no recognition of existing third party accreditation
- Workers compensation coverage of employees travelling to and from work, we are not able to ensure the safety of employees engaged in this activity

…about payroll taxes

- Excessive and 'duplicative' with ATO and Workcover requirements
- Different systems for each State
- Payroll tax and Worksafe premium reporting is very similar and could be jointly handled
- Replace it with income tax or other preferred tax
- Processing is a nightmare

…about superannuation

- Hard to implement with high labour turnovers
- I have 20 employees nominating approx 15 different funds
- Fund administrations should be employees' responsibility
- Place the emphasis back to the individual take it away from the employer ATO – Everyone has a bank account get the ATO to direct debit employees pay bank accounts as credit agencies do and take the responsibility of collection reporting and paying away from employers and directors

…about FairWork Australia

- If an employee complains they're underpaid you are audited for each employee

20 employees with 15 different superannuation funds. Some businesses argue that more responsibility should be placed on employees with regard to superannuation, in order to reduce their workload.

Businesses commonly express the view that they face too much OHS regulation and are concerned that in some instances regulations do not appear to reflect a clear understanding of industry conditions. Two specific concerns raised by business are:

- In some cases, it seems unnecessary for tradesmen to complete OHS documents after every job.
- Some businesses applying for Federal OHS accreditation do not receive recognition for third party accreditation.

Some businesses that have operations in multiple jurisdictions also argue that the different workers compensation regulations in each State unnecessarily added to their workload, and that the regulations are overbearing, and appear to lack an understanding of industry conditions. One business argues that the case management of claims could be streamlined and that businesses should be able to choose their insurer.

In relation to payroll tax, a number of businesses report that the process of complying is overly difficult and time consuming, and that the information they are required to provide is often duplicated in other areas, such as workers compensation scheme reporting. Some businesses that operate in multiple jurisdictions also note regulation is not applied consistently across Australia. A number of businesses call for payroll tax to be scrapped and note that they are likely to hire more staff in its absence.

Duplication in regulatory information requirements

Businesses responding to the survey identify areas of regulatory reporting where they consider the information could be used by more than one regulatory agency. Close to 20 per cent of businesses believe there could be some consolidation of information. The following examples are provided by businesses that consider there could be some consolidation of information:

- Workers compensation, workplace incident reports to State and national OHS regulators and business activity statements.

Table 2
Effectiveness of information dissemination by level of government

(Per cent)	Federal	State	Local
Good communication, I am aware of new developments	14.1	11.4	11.5
I spend some time searching but information is available	63.3	68.3	55.9
Information is difficult to find or not available	22.6	20.3	32.7

- Any instance where there are differences in reporting requirements across jurisdictions e.g. payroll tax.

Information provision by regulatory agencies

There is no doubt that the degree of complexity as well as the volume of regulation has increased in line with the complexity of doing business. The complexity of regulations can cause major issues with respect to the time taken to access and understand regulatory obligations even before compliance actions can be implemented.

One aspect of the complexity of business regulations examined by the survey is how effective governments are at communicating and providing information about new or changed regulations. The majority of businesses report that they believe sufficient information is available, though they need to spend some time searching for it (Table 2). Nonetheless, close to 20 per cent of businesses believe that information from the Federal or State governments is difficult to find or not available, while a greater proportion (32.7 per cent) of businesses believe that information from local governments is difficult to find or not available. In effect, the results suggest all levels of government in Australia have some work to do to improve their regulatory information services so as to address this aspect of complexity.

To obtain a better understanding of these results, Box 4 gives some recent examples of regulatory problems.

Standard Business Reporting (SBR)

Standard Business Reporting (SBR) is an Australian government initiative designed to simplify and streamline business regulatory reporting

Table 3
Business awareness of Standard Business Reporting

Per cent of respondents	YES	NO
Have you heard or read about SBR?	25.2	74.8
Are you aware of your business (or its compliance service providers) using SBR?	11.9	88.1
Are you aware of any intention on the part of your business (or its compliance service providers) to use SBR?	12.4	87.6

Table 4
Expected reductions in compliance costs due to Standard Business Reporting

	Per cent of respondents
Low	46.8
Moderate	44.3
High	8.9

requirements. SBR is endorsed by COAG as part of its regulation reform agenda.

The survey gauges the level of penetration of SBR into the Australian reporting system. The results show that only a quarter of CEOs have heard about SBR in Australia (Table 3). Hence there is a poor level of awareness of SBR in the business community which needs to be addressed. Moreover, those CEOs that are aware of SBR only expect low to moderate reductions in compliance costs resulting from SBR (Table 4).

Box 4: Examples of regulation frustration

ACCC Consumer Guarantee – *What is the problem:*
The Australian Consumer Law (ACL) mandates specific wording for consumer product express warranty statements by 1 January 2012 with a 13 month notice period by which all consumer products have to be compliant.

In practice, the timeframe from production to end consumer frequently exceeds 12 months. In addition, manufacturers do not control their products at the retail sales point. It follows, that a product may remain in the supply chain 3 to 5 years after manufacture.

Businesses action to comply with the anticipated regulations involved costly replacement of warranty statements, website updates, provision of point of sale material and revisions of company policies to incorporate the new requirements.

Ai Group argues that existing products should continue to be sold compliantly through the retail networks.

GEMS Legislation – *What is the problem:*
Legislation for the Greenhouse and Energy Minimum Standards (GEMS) Bill 2011 is due for implementation in 2012. The GEMS Act is designed to address inconsistencies in current State laws. A common schedule for fees, registration, offences, penalties and reporting as well as a common commencement date for new standards is expected to operate once the GEMS Bill is enacted.

Ai Group is monitoring:

- Ministerial determinations outside of the technical standards committee process;
- lack of explicit process and adequate timelines to modify products;
- inadequate “grandfathering” provisions (currently proposed as 2 years);
- penalties for contraventions including criminal penalties; and
- data reporting requirements.

Energy Rating Labels – *What is the problem:*
Currently retailers display old stock with old standard star ratings. When energy efficiency standards change, it is difficult and confusing for consumers to try to compare products manufactured to the old standard with products manufactured to the new standard. The proposal to address this is to include a year reference date on the label.

Ai Group members believe the current system of allowing retailers a 3 month transition period is sufficient and should be enforced with the additional requirement for retailers to place a large sticker on old display stock stating, “old stock measured to the old rating system.”

Source: Ai Group Technology Industry Report

Policy Priorities

The survey canvasses the preferences within the business community for policy action to address the regulatory compliance burden. CEOs provided rankings of policies likely to have the greatest impact on reducing the regulatory compliance burden for their businesses. The rank-weighted average for each policy measure, giving the highest ranked item a greater weighting, is reported in Chart 10.

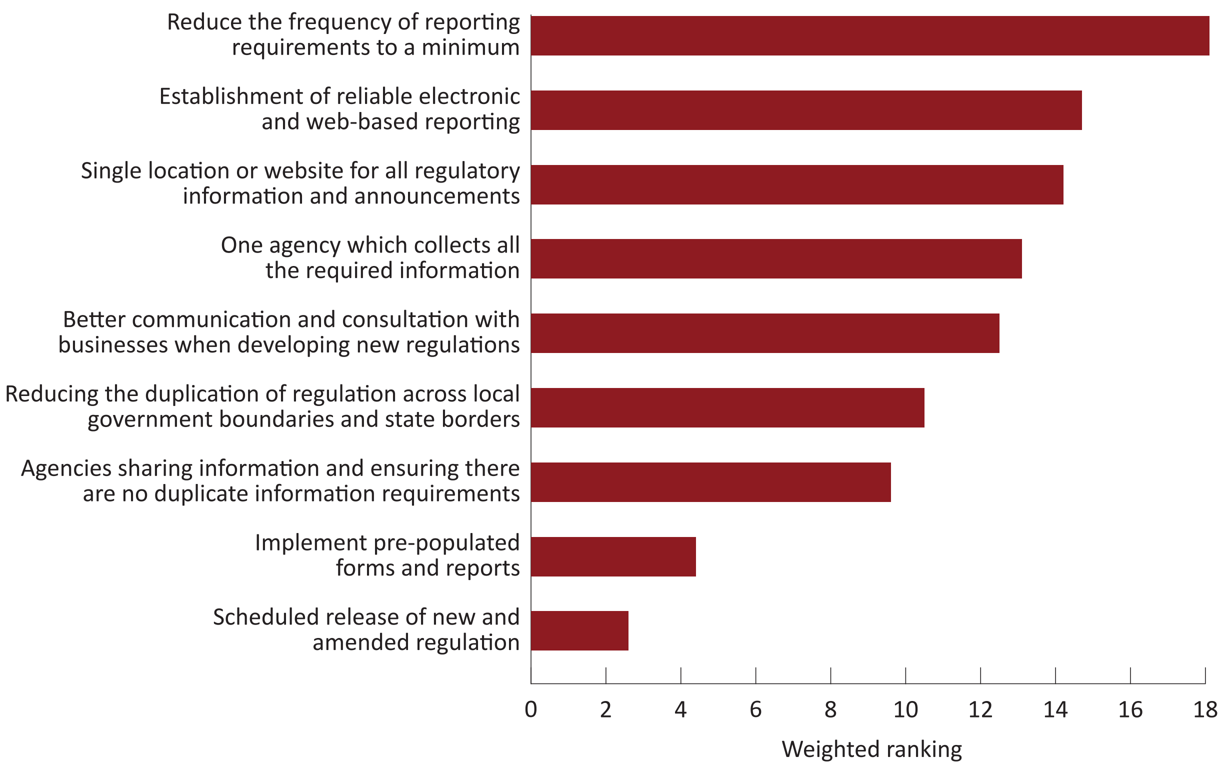
The most highly ranked policy measures are:

- Reduce the frequency of reporting requirements to a minimum.
- Establish reliable electronic and web-based reporting.
- Single location or website for all regulatory information and announcements (further suggesting the SBR Program is not well known or appreciated).
- Rationalisation of the number of regulatory agencies.
- Better communication of information to businesses and more efficient consultation.
- Reducing duplication of regulation across local government boundaries (planning regulations for example) and across State borders (payroll tax for example).

The survey results more broadly suggest there is an urgent need to renew the effort on reducing the regulatory burden. In particular:

- Recent initiatives through COAG to promote a seamless national economy are important but need to be accelerated as businesses are clearly indicating the intended benefits of these reforms are slow to materialise. It is not enough to have a reform agenda and timetable if progress on implementation is slow.[5]
- State government based initiatives and programs related to reducing the regulatory burden need to be reviewed with regard to their effectiveness. Claimed

CHART 10: Policy priorities



[5] The Australian Financial Review of 12 May 2011 quotes Paul McClintock, Chairman of the COAG Reform Council, as indicating the COAG reform process is far too slow.

estimates of reduced regulatory burdens achieved stand in contrast with the results in this survey which indicate that the regulatory compliance burden on businesses is rising, not falling.

- Clearly governments need to reconsider whether the methodologies for measuring the impacts of their regulatory reform initiatives are sound and more importantly, whether there has been a net decline in the regulatory and compliance burden being imposed on businesses. Moreover, monitoring and reporting on progress of regulatory reduction initiatives should as far as possible be handled by an independent agency.
- Also, the regulatory impact statement process needs to be applied consistently and transparently to reduce inefficient regulation.
- Governments also need to consider how they interact with the business community with respect to regulatory changes and proposals. Consultation is crucial and should continue but governments need to invest in more efficient and less onerous consultation processes which do not impose an additional burden on businesses.
- The results indicate that it is not only the quality and nature of regulation that is important but also how efficiently regulatory agencies administer these regulations. There is some merit in the Australian National Audit Office Better Practice Guide to Administering Regulation being adopted by Australian regulators at all levels of government.
- Moreover, best practice for regulatory agencies can be promoted by considering the approach in the United Kingdom instigated by the 'Hampton Review' where regulatory agencies undergo regular 'health checks' to ensure these agencies are efficiently implementing regulations and not imposing an additional and unnecessary burden on business.

Conclusion

Governments across Australia have in recent years focussed on the importance of enhancing Australia's productivity potential by initiating and undertaking a series of regulatory reforms designed to ensure a more efficient economy. While much effort has been made this survey is a wake-up call against complacency and it suggests that there is a long way to go before Australia's business regulatory environment is truly growth enhancing.

Across Australia, CEOs of businesses in different sectors of the economy clearly believe that business regulation is cumbersome, difficult to understand and in some cases unnecessary. Despite efforts to the contrary, the compliance burden on businesses is rising. The direct costs are tangible but the survey also highlights the intangibles – business regulation is hindering workplace innovation and productivity at a time when the national reform agenda in this area has the primary objective of enhancing productivity.

Concerted action is required by all levels of government – first and foremost there needs to be an acceleration of national reforms already agreed and initiated through COAG, especially in the area of occupational health and safety regulations. The COAG reforms promise a significant dividend for the Australian economy but at this stage CEOs have not fully seen the benefits at the workplace level. Moreover, governments at all levels need to tackle the ongoing regulatory burden on businesses through better monitoring and measuring regulation making processes. Finally, the performance of regulators is highlighted in this survey – the quality of a business regulatory system relies not only on the nature and scope of regulations but how efficiently they are administered by regulatory agencies so as to not impose additional burdens on businesses.

By renewing the regulatory reform effort and better monitoring progress, governments across Australia can help businesses to become more productive and to grow. There is no time to waste.

Appendix A

Results for States

Executive Summary

This appendix compares the responses of businesses in Victoria, New South Wales, Queensland and South Australia to Ai Group's Business Regulation Survey.[6] From a business perspective, business regulation in Victoria and South Australia appears to be more efficient than regulation in Queensland and New South Wales. In particular, businesses in Queensland and New South Wales face more duplication in the information they provide to different regulatory authorities, a greater level of unnecessary regulation and spend more on outsourcing costs and fees and charges.

OHS, workers compensation, and other employee-related regulations are seen by businesses to be the most time consuming areas of regulation. Regulation related to the trade of goods and services across international borders is also reported by businesses in New South Wales, Victoria and Queensland to be particularly time consuming.

Reducing the frequency of reporting requirements to a minimum is seen by businesses to be the most important area of reform, particularly in New South Wales. Establishing reliable electronic and web-based reporting, and centralising regulatory information and announcements are also important areas of policy development.

What is the total cost of regulation?

Direct costs

- Australian businesses spend an average of 13.3 hours per week complying with regulatory requirements and spend 5.8 per cent of their annual expenses on outsourcing costs and fees & charges related to government regulation.
- Generally speaking, businesses in Queensland were found to face the largest direct cost of compliance, while businesses in Victoria face the lowest cost (Table A1).
- Close to 70 per cent of Australian businesses report that the direct costs of business regulation has increased over the past three years, and that they expect regulation to increase further over the next three years.
- This result is fairly consistent across Victoria, New South Wales, Queensland and South Australia (Charts A1 & A2).

Table A1: Direct costs of business regulation

	New South Wales	Victoria	Queensland	South Australia
	Average number of hours per week			
Time spent by employees	12.4	12.0	17.8	14.6
	Average percentage of total business expenses			
Outsourcing costs	3.3	3.1	3.6	2.7
Government fees and charges	2.5	2.5	2.9	2.7
Total	**5.8**	**5.6**	**6.5**	**5.4**

[6] Western Australia and Tasmania are not included in this analysis due to the sample size.

Indirect costs

Employment

- Close to 77 per cent of Australian businesses report that government regulations present a barrier, to some extent, to employment.
- Around one-third of Australian businesses report that government regulations present a significant barrier to employment.
- New South Wales has the highest proportion of businesses that find regulation is a barrier to employment (79 per cent), followed by Queensland and Victoria (76 per cent) and South Australia (73 per cent; Chart A3).

CHART A1
Past changes in compliance costs

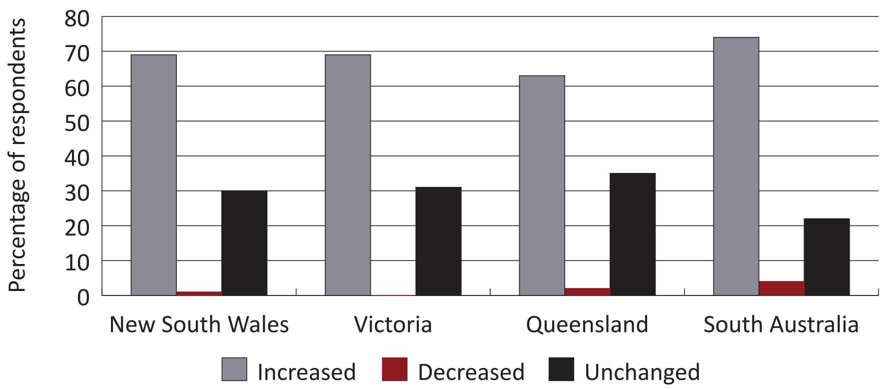


CHART A2
Expected changes in compliance costs

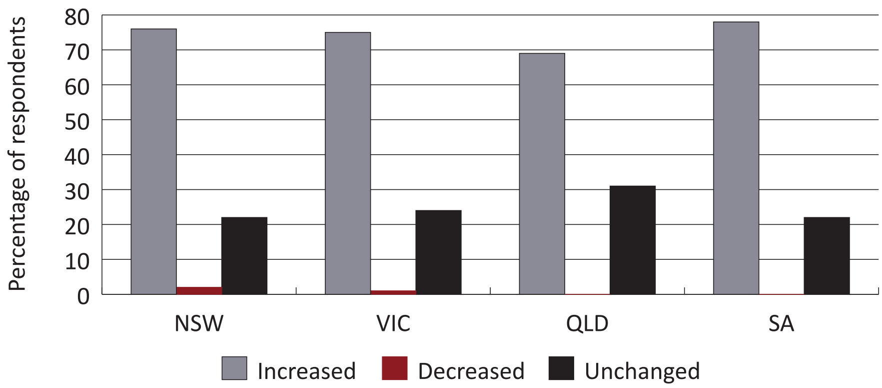


CHART A3
Regulation is a barrier to employing more staff

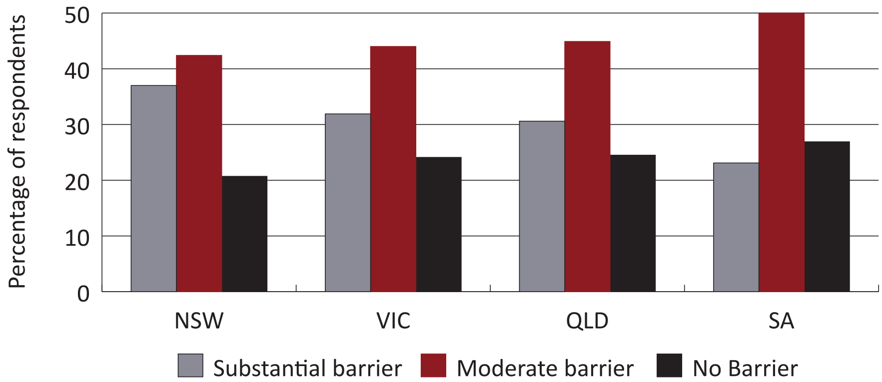


CHART A4
Regulation is a barrier to innovation

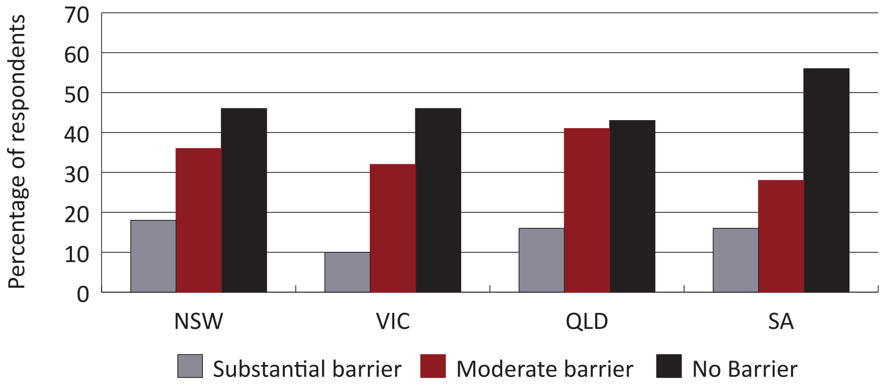
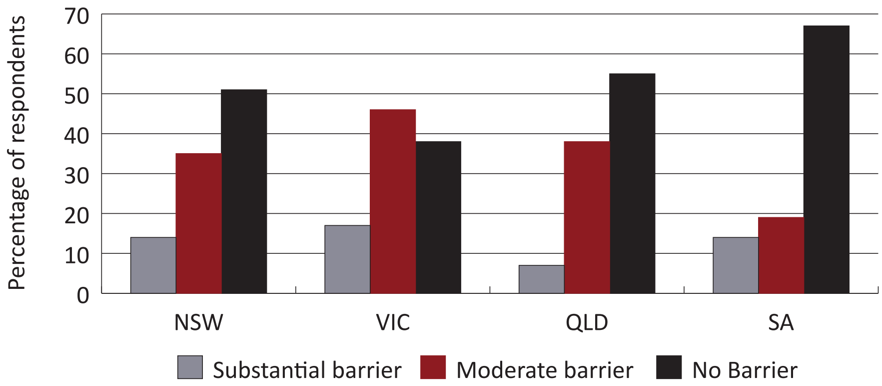


CHART A5
Regulation is a barrier to overseas trade



Innovation

- Close to 48 per cent of Australian businesses report that government regulations present a barrier, to some extent, to innovation.
- Around 15 per cent of businesses report that government regulations presented a significant barrier to innovation.
- Queensland has the highest proportion of businesses that report that regulation is a barrier to innovation (57 per cent), followed by New South Wales (54 per cent) and South Australia (44 per cent) (Chart A4).

Overseas trade

- Close to 55 per cent of Australian businesses report that government regulations present a barrier, to some extent, to international trade.
- Around 14 per cent of businesses report that government regulations present a significant barrier to trade.
- Victoria had the highest proportion of businesses that report that regulation is a barrier to trade (62 per cent), followed by New South Wales (49 per cent), Queensland (45 per cent) and South Australia (33 per cent; Chart A5).

What are the most time consuming areas of regulation?

- Businesses identified how much time, on average, they need to spend on different areas of regulation. Table A2 shows the 10 most time consuming areas of business regulation.
- OHS, workers compensation, and other employee-related regulations are seen by businesses to be the most time consuming areas of regulation.
- Regulation related to the trade of goods and services across international borders is also reported by businesses in New South Wales, Victoria and Queensland to be particularly time consuming.

How are things working in practice?

- Australian businesses, on average, deal with 8 different regulatory authorities in a given year.
- Businesses in New South Wales and Queensland report dealing with the largest number of regulators (9), followed by Victoria (8) and South Australia (7; Table A3).
- Given the number of different regulatory authorities that respondents are required to deal with on an annual basis, businesses were asked if they thought there was any duplication in the information that they were required to provide.

Table A2: The 10 most time consuming areas of business regulation
Share of the total number of hours spent per week

	New South Wales	Victoria	Queensland	South Australia
OHS and workers compensation	13.1	12.8	15.4	12.9
Other employee-related regulations e.g. superannuation	10.5	12.1	10.2	12.0
Trading across national borders	12.3	10.8	11.2	8.1
Consumer protection regulation e.g. inspections & labelling	11.3	10.7	10.1	12.1
Health and food safety regulations	10.3	10.0	8.7	5.6
Corporate governance regulation	9.1	8.7	8.9	10.2
Paying taxes	8.7	9.0	9.7	10.6
Trading across State borders	8.3	9.1	9.0	8.0
Other environmental regulations	8.4	8.7	8.2	10.0
Paying fees and charges	8.0	8.2	8.5	10.5
Total	**100.0**	**100.0**	**100.0**	**100.0**

Table A3: Number of regulatory authorities

	New South Wales	Victoria	Queensland	South Australia
Average number of regulatory authorities	9.2	7.9	9.1	6.8

Table A4: Duplication *(Percentage of respondents)*				
	New South Wales	Victoria	Queensland	South Australia
Yes	28.9	13.8	26.7	11.5
No	10.0	21.1	17.8	19.2
Unsure	61.1	65.0	55.6	69.2
Total	**100**	**100**	**100**	**100**

- Overall, close to 20 per cent Australian businesses report that they believe there is some duplication in the information they provide to different regulatory authorities.
- Businesses from New South Wales and Queensland report that they face the largest amount of duplication, followed by Victoria and South Australia (Table A4).
- Businesses were also asked to estimate the proportion of their total compliance costs, which include internal and external costs that they consider unnecessary.
- Overall, Australian businesses report that close to 18 per cent of their regulatory compliance costs are unnecessary.
- Businesses from Queensland report the largest amount of unnecessary regulation, followed by New South Wales, Victoria and South Australia (Chart A6).
- Businesses were also asked how effective they believe governments are in communicating and providing information about changes to regulation.
- Overall, close to 20 per cent of Australian businesses report that information from the federal and State governments is difficult to find or not available.
- Close to one-third of Australian businesses report that information from local governments is difficult to find or not available.
- Victoria had the highest proportion of businesses that believe the information provided by the State government is either difficult to find or not available (22.3 per cent), followed by New South

CHART A6: Unnecessary regulation

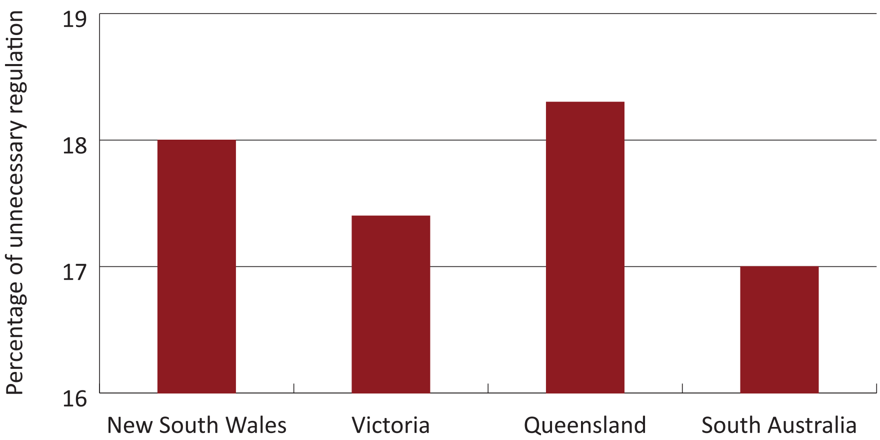


Table A5: Availability of information *(Percentage of respondents)*				
	Federal			
	NSW	VIC	QLD	SA
Good communication	10.3	13.0	22.4	19.2
Information is available but can take time to find	68.0	63.4	53.1	61.5
Difficult to find or not available	21.6	23.7	24.5	19.2
	State			
Good communication	7.1	11.5	18.0	15.4
Information is available but can take time to find	72.4	66.2	66.0	65.4
Difficult to find or not available	20.4	22.3	16.0	19.2
	Local			
Good communication	6.5	10.2	22.9	15.4
Information is available but can take time to find	59.1	53.9	56.3.2	57.7
Difficult to find or not available	34.4	35.9	20.8	26.9

Wales (20.4 per cent), Queensland (16.0 per cent) and South Australia (19.2 per cent; Table A5).

What are the main areas for improvement?

- Firms were asked to nominate the three measures from Table A6 that would have the greatest impact on reducing their regulatory burden.
- A high proportion of firms believe that reducing the frequency of reporting requirements is one of the top three priorities, particularly in New South Wales.
- Establishing reliable electronic and web-based reporting, and centralising regularity information and announcements is also seen to be important areas of policy development.

Table A6: Areas for policy development *(Percentage of respondents)*				
	NSW	VIC	QLD	SA
Reduce the frequency of reporting requirements to a minimum	61.9	52.8	39.6	50.0
Establishment of reliable electronic and web-based reporting	45.4	38.6	31.3	42.3
Single location or website for all regulatory information and announcements	45.4	33.9	39.6	53.8
Better communication and consultation with businesses when developing new regulations	40.2	37.8	37.5	30.8
Reducing the duplication of regulation across local government boundaries and State borders	32.0	33.9	33.3	42.3
One agency which collects all the required information	30.9	37.8	41.7	38.5
Agencies sharing information and ensuring there are no duplicate information requirements	27.8	28.3	37.5	19.2
Implement pre-populated forms and reports	8.2	19.7	22.9	15.4
Scheduled release of new and amended regulation	5.2	11.8	10.4	7.7

Appendix B

About the Ai Group National CEO Survey on Business Regulation

In July 2011 the Australian Industry Group undertook a survey of Australian business CEOs. Questionnaires were sent to around 6,000 businesses across 22 industry subsectors and across all Australian States. The findings of the survey are based on the responses of CEOs from 322 businesses. Collectively, these businesses employ around 28,200 full time equivalent staff and have a combined turnover of around $21 billion per annum.

The data from respondents covers approximately 20 industries and has been aggregated into the three key sectors of manufacturing, construction and services. Together, these three sectors represent approximately 74 per cent of the Australian market sector. The response profile is detailed in table B1 while table B2 shows the share of respondents by sector and jurisdiction.

Table B1

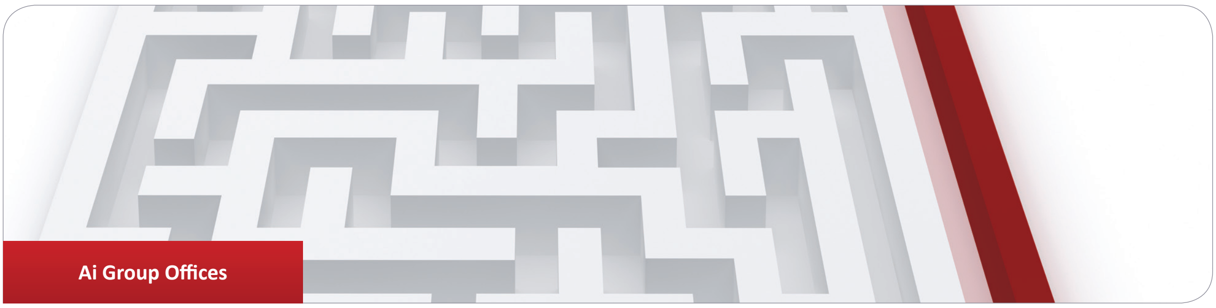
	Total
Food & Beverage Manufacturing	20
Textiles Manufacturing	5
Clothing & Footwear Manufacturing	5
Wood Products & Furniture	6
Paper, Printing & Publishing	24
Chemicals, Petroleum & Coal Manufacturing	22
Construction Materials	11
Basic Metals Manufacturing	17
Fabricated Metals	37
Transport Equipment	12
Machinery & Equipment	33
Miscellaneous Manufacturing	50
Wholesale Trade	9
Retail Trade	6
Accommodation, Cafes & Restaurants	3
Transport & Storage	1
Communication Services	15
Finance & Insurance	0
Property & Business Services	19
Health & Community Services	4
Personal & Recreation Services	2
Construction	21
Total	322

Table B2: Percentage of responding businesses by major sectors and States

(Per cent)	NSW	VIC	QLD	SA	WA	Total
Construction	8	3	15	4	0	7
Services	19	22	17	0	0	18
Manufacturing	73	75	67	96	100	75
Total	**100**	**100**	**100**	**100**	**100**	**100**

Appendix C

Table C1: Estimates of the compliance burden in Australia			
2009	Ai Group	Manufacturing, construction and related sectors spend more than $3.4 bn per year on compliance obligations.	Ai Group, "Industry Snapshot, Untangling Red Tape: Industry's views on compliance," 2009.
2008	Business New Zealand and KPMG	Compliance cost per full-time-equivalent employee in 2008 were estimated at NZ$728 pa.	Business New Zealand and KPMG, "Summary report of the business New Zealand – KPMG compliance cost survey," 2008.
2005	Department of Treasury and Finance (Victoria)	Estimated the cost of complying with regulation in Australia at around 2.5% of GDP or $20 billion per year.	Department of Treasury and Finance (Victoria), Rewards from Reform: Higher Productivity and Labour Participation, Preliminary Modelling Results, 2005.
2005	Business Council of Australia	Total cost of regulation to the Australian economy (including potential efficiency losses as well as compliance costs) could be as high as $86 bn, or 10.2% of GDP.	Business Council of Australia 2005, Business Regulation Action Plan, Melbourne, 2005.
2004	Ai Group	Manufacturers are spending over $680 million per year on managing compliance with taxes, environmental management and other regulations.	Ai Group, Compliance Costs Time and Money, 2004
2003	Victorian Automobile Chamber of Commerce/ Government and Public Affairs Department	VACC/TACC members reported that their businesses spend an average of 11.6 hours per week on regulatory compliance tasks, with the average compliance hours rising as business size increases.	Survey of Business Compliance Costs, 2003.
2001	OECD-ACCI	Compliance cost of regulation for small and medium-sized Australian businesses in 1998 was more than $17 bn.	OECD, Businesses' Views on Red Tape: Administrative and Regulatory Burdens on Small and Medium-sized Enterprises, OECD, Paris, 2001.
1998	Productivity Commission	Estimated regulatory compliance costs at $11 bn in 1994-95.	Lattimore, R., Martin, B., Madge, A. and Mills, J., "Design Principles for Small Business Programs and Regulations," Productivity Commission Staff Research Paper, AusInfo, Canberra, 1998.
1996	Small Business Deregulation Taskforce	Average small business owner spent 16 hours a week on financial accounts, invoices, tax and other compliance matters.	Small Business Deregulation Taskforce, "Time For Business," Canberra, 1996.
1996	Senses Yellow Pages Special Report	Small businesses report spending an average of around 16 hours per week on financial accounts, invoices, tax and other compliance matters.	Senses Yellow Pages Special Report, "Working Overtime – Paperwork Burden on Small Business," 1996.



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