



## Submission to the Regulation Taskforce

# Review of Reducing the Regulatory Burden on Business

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## Introduction

The Capital Region Area Consultative Committee is part of a national network of ACCs and is the Area Consultative Committee for the NSW local government areas of Queanbeyan City, Palerang, Goulburn Mulwaree, Upper Lachlan and Yass Valley and the Australian Capital Territory.

As a key facilitator, the Capital Region ACC's vision is to achieve sustainable enterprise, economic and employment growth and social participation throughout the Capital Region.

The Capital Region ACC achieves its vision by providing leadership, direction and assistance in developing network and partnership opportunities with Government, business and communities.

In this submission, Members of the Committee highlight for the Regulation Taskforce review of 'Reducing the Regulatory Burden on Business', local and other examples of gaps in the business migration visa process, telecommunications regulations, and instances where too much red tape and the time taken for decisions to be reached creates uncertainty and places burdens on businesses and communities.

### **Business Migration Visa – a small business's experience and perception of gaps in the application process**

A Canberra based small business needed a marketing professional and was finding recruitment very difficult in a 'full employment' market. Poaching from others only perpetuates the problem as wages costs escalate. Marketing skills are not on the Skilled Migration Scheme skill shortage lists.

A tourist with professional marketing skills and experience visiting on a holiday visa applied for the position. Before the business could employ the tourist he had to apply for a Business Migration Visa (BMV) with the Department of Immigration and Multicultural and indigenous Affairs, including identifying (this) business as a willing sponsor. The tourist had to engage a migration broker to apply for a BMV, which he did in May 2005.

The onus is on the applicant to source and provide all information to the Department, including information on the sponsor business. The Department (and the broker) did not consult the business or enter into correspondence with the business.

The process raised a number of concerns and issues for the business and these are summarised below:

- No explanation of the BMV scheme was provided upfront to the business – the business, new to the process, did not know the overall process for BMV applications and where it fitted into the process. A summary of the whole process would have helped the business understand the system and plan ahead.
- The business was not appraised of what was required of it as a sponsor nor what information the Department needed for its assessment. An outline of sponsor obligations and information would have helped.
- The time impost on the business. The applicant relayed information adhoc to the business as the Department advised the applicant of its requirements. All up, it took the equivalent of about one working week over a period of several months for the manager of this small business to compile information that was not always readily available or in a suitable format. A checklist from the Department (or broker) of documents required from the sponsor business would have streamlined the process.
- The business could not plan with any certainty for when it could commence employment of the person. The time taken to process the application was not known, lengthy and dependent upon the speed and accuracy of information being gathered by the applicant (at times also held up because documents had to be sent from overseas).
- No (apparent) verification or checks on the business. The sponsoring business did not receive any correspondence or communication from the Department or the applicant's broker to verify that the information supplied came from the business and that the business was 'real'. Does the Department make a judgement about the sponsoring business only on the basis of documents supplied to it?
- Obligation of the sponsoring business once the Visa was approved was unknown. The sponsoring business was not party to, or sent, documents even when the Department approved the BMV in early December. The tourist and the Department exchanged signed agreements (noting the business as the sponsor), which outlined mutual obligation for reporting between the signatories.

- The business is unclear about its status if it wishes to sponsor in the future. Does it go through the entire process again or does the Department keep a sponsor record?

We emphasise that the business manager did not have an issue with the type and level of information required. In fact, he commented that he was pleased that the Department applied this level of scrutiny to the application process. The issues raised are more to do with communication and process.

### **Gaps in regulation – Telstra and reporting telecommunications faults**

For decades Governments and their regulatory authorities have encouraged users of the Public Switched Telephone Network (PSTN) to report any faults that they detect, either with respect to the use of their own equipment or when they try to make contact with another user. The 'white pages' still explain how to report a fault.

Telstra now takes a restricted view of how they should respond. When a caller reports a difficulty in contacting another number on the PSTN the Operator asks for the area code and number and, if Telstra does not service it, advises the caller that it is not serviced by Telstra and hangs up.

Although Telstra still, in most cases, provides the last mile the Operator gives no advice as to who provides the service. We understand that this approach is 'consistent' with the regulator's instructions.

It appears to be very difficult for the caller to find out who does provide the service and, more often than not, further delays occur before the fault is reported (usually when the equipment 'owner' detects a fault).

The Regulator sets the standards for eliminating the fault in a reasonable time. In large urban areas less than 24 hours, in regional and rural areas 2 or 3 days.

If the fault proves to be on the 'last mile' and therefore the responsibility of Telstra then Telstra's standard starts when the service provider advises them. Since the service provider is also subject to the same standard then the 'effective standard' in regional and rural areas can be four to six days from when the fault was first reported.

If Telstra knows the service provider there seems to be no reason why they should not be required to provide this information when the fault is reported.

Although this would be a significant improvement it would not cover all cases, for example some users (including private) choose different service providers for local, interstate and international calls. There are also some users who use a separately installed network.

### **Australian Consumer and Competition Commission**

The following are examples of instances where the Australian Consumer and Competition Commission (ACCC) could improve and better focus its limited resources.

The ACCC has the function, through the authorisation process, of adjudicating on certain anti-competitive practices that would otherwise breach the *Trade Practices Act 1974*. Authorisation provides immunity from court action, and is granted where the ACCC is satisfied that the practice delivers a net public benefit.

#### *1. ACCC Authorisation for Canberra After Hours Locum Medical*

Attached is the Press Release from Graeme Samuel after three and a half months deliberation on a straightforward application that had a capped fee structure when it was lodged.

Even if this was the first time the ACCC had considered such a concept it should surely be the last, since the principle has been established.

Although the ACT has emergency facilities in its Hospitals and Cooma Hospital and Bega Hospital do as well, other Capital Region towns including Jindabyne, Berridale and Nimmitabel, Bermagui, Eden and Merimbula do not have either hospital or emergency medical facilities. Now the general principle has been established, should an application for similar services be submitted in future from these communities, and others like them, authorisation should be swift.

We see no reason why the same approach should not also apply to other emergency services such as dentistry.

*2. ACCC allows SA oyster research and development levy*

The attached press release does not say when the application was received but given that there was a previous approval in 1999 then we hope that it was turned around quickly.

Once again a general principle has been established and ought to be available to all oyster groups.

*3. Examples of authorisations where it is appropriate to consider applications, including applications to extend an earlier application, individually*

These examples are taken from the ACCC's monthly e-journal:

The first is an authorisation granted to the Victorian Farmers Federation in March 2005. (See register on ACCC website: <http://www.accc.gov.au/content/index.phtml/itemId/531018> )

The second is conditional authorisation granted to the Milk Vendors Association (SA) Inc in April 2005. (See register on ACCC website: <http://www.accc.gov.au/content/index.phtml/itemId/579538> )

The third is an application lodged by the Australian Dairy Farmers Ltd in April 2005. (See register on ACCC website: <http://www.accc.gov.au/content/index.phtml/itemId/592524> )

In effect, all three relate to collective bargaining and one also provides for collective boycotts. As such they all appear to support situations where employers in primary industries are allowed to bargain collectively with others in the supply chain, yet employees in primary industries are denied the same freedom to bargain collectively with employers.

We are not suggesting that collective bargaining (or boycotts) is not appropriate, simply that each case must be considered on its merits and is a far more appropriate use of the Commission's limited resources.