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Regulatory Reforms Study
Productivity Commission
GPO Box 1428
Canberra City ACT 2601

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Dear Commissioners,

I write regarding the Productivity Commission's *Annual Review of Regulatory Burdens on Business*.

The Australian National Retailers' Association (ANRA) was established in 2006 to represent the interests of Australia's leading national retailers. We welcome the opportunity to have input into this annual review.

Regulatory reviews by the Productivity Commission, and other bodies, provide an important opportunity for the business community to highlight areas of regulation where compliance costs could be reduced. These studies, when acted upon by governments, deliver real benefits to business.

ANRA has, of course, made a substantial submission to the current Productivity Commission inquiry into the retail sector. We do not propose to re-visit the specific regulatory reforms put forward in relation to that review. Nevertheless, it is important to recognise that these types of industry-wide reviews play a key role in identifying areas for reform and thus improving the effective operation of these sectors.

Input from industry associations and individual businesses about the impacts of specific regulations are a key source of information about which areas of regulation need to be reviewed. It is critical that bodies such as the Productivity Commission engage in regular dialogue with peak representative bodies and also have well publicised mechanisms for individual businesses to report concerns about specific regulations.

ANRA represents national retailers, and as such believes there are many opportunities around regulatory reviews based on national harmonisation goals. There have been some gains in this area in recent years, such as payroll tax definitions and occupational health and safety laws. But there are more opportunities around national harmonisation reviews that could reduce compliance costs for businesses that operate across state boundaries.

Benchmarking studies by the Productivity Commission are particularly useful at identifying the best aspects of each states approach to different regulations and highlighting how these could be brought together to create a best-practice national approach to specific regulations. The frustration with such reviews can be that there is often a delay between the delivery of the findings and the implementation of a best-practice, nation-wide approach.

Irrespective of how the need for reform is identified, it is important to measure the cost of regulation and the benefits derived from reducing compliance costs. This lifts the accountability and transparency of red-tape reduction strategies and ensures government resources are focused on regulatory reviews that will deliver the greatest benefit to the economy.

Internationally recognised forms of assessing impacts, such as the Standard Cost Model, are not widely used by Australian governments. These governments also do not use a consistent method of measuring costs. The process of reviewing regulation would benefit from having a nationally consistent approach to measuring regulatory impacts by all levels of government in Australia. The process would also benefit from all levels of government agreeing to use an internationally recognised process, such as the Standard Cost Model.

Finally, ANRA believes there would be a benefit in bodies like the Productivity Commission undertaking full regulatory reviews prior to new regulations being introduced. Many Australian governments currently have a Regulatory Impact Statement process for new regulations. However, these do not always include input from the businesses that will actually be affected by the change and thus are best placed to inform the real costs of new regulations. A more rigorous process, with the opportunity for industry input, conducted prior to major new regulations being implemented would assist in minimising red tape impacts on Australian businesses.

Once again, thank you for the opportunity to have input into this process. Should ANRA be of further assistance in this review process, please contact us.

Regards

Margy Osmond
Chief Executive