

Friday, 22 August 2008

GOVERNMENT BEATS RED TAPE TARGET

Premier Mike Rann has announced that an independent audit has shown that the State Government has met and exceeded its red tape reduction target of \$150 million by the 30 June deadline.

An independent assessment by consultants Deloitte found that the Government's red tape reduction initiatives are on track to save South Australian businesses more than \$170 million per year.

"I announced the \$150 million target in the wake of a call from the State's peak employer body, Business SA, in 2006 for a reduction in the government red tape costs to business," Mr Rann said.

"Measures we've introduced mean we're already exceeding that target, but we're continuing work to make sure we maintain our status as the most cost-competitive city in Australia to do business."

Mr Rann says that the key to meeting the target proved to be the work of the Competitiveness Council chaired by Treasurer Kevin Foley.

"The Council reviewed key industry groups and 16 Government agencies, looking for any non-essential paperwork, rule, regulation license that was an unnecessary imposition on business," Mr Rann said.

Member for Enfield, John Rau convened the review of seven industry groups: cafes and restaurants, metal manufacturing, heavy vehicles, wine and grapes, construction, fishing and aquaculture and motor trades.

Some examples of the measures identified by the review include:

- scrapping extra licences required for wineries offering tastings and sales beyond their cellar door;
- reviewing the Environmental Protection Authority's licence fee structure; and
- a complete review of permit requirements for truckies and trucking companies.

"Today's announcement **does not** yet take into account the estimated **\$50 million in red tape savings** to commercial developers as a direct result of the South Australian Government's **Planning and Development Review** announced in June.

"Neither does it include the changes to **Workcover** that will directly benefit employers."

"And there's more relief to come, with substantial **payroll tax relief** foreshadowed in this year's Budget for about 6,500 businesses employing an estimated 380,000 South Australians.

"Those firms will see their payroll tax rate fall from 5 per cent to 4.95 per cent from July 1, 2009 with a new threshold of \$600,000 also coming into force from that date.

"Some 300 businesses will no longer be liable for payroll tax at all as a result of the changes.

"Once these payroll tax reforms are fully implemented, they will deliver further annual relief of \$136 million to South Australian business, compared to the rates and thresholds that applied last year.

"Those changes will ensure that we have a more competitive payroll tax regime than New South Wales and Victoria."