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Chamber of Commerce
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Working for your business.
Working for South Australia

20 June 2017

Ms Julie Holmes
Director, Simpler Regulation Unit
Department of Treasury and Finance
State Administration Centre, Victoria Square
ADELAIDE SA 5000

Dear Ms Holmes

I write in response to your invitation for Business SA to participate in Simplify Day 2017. Business SA supports efforts to simplify the way the South Australian government interacts with businesses. This submission responds to the State Government's assessment of our 2016 Simplify Day submission (Appendix 1) and reiterates red tape reductions which still need to be considered. We also suggest three new red tape reduction measures. These reductions will not eliminate all unnecessary red tape, though implementing these reductions will be a positive step toward making South Australia a more competitive place to do business.

Business SA also encourages the State Government to look further beyond the straightforward changes to either legislation or regulation which its Simplify Day process has been predicated on. The reality for business is that many of the most frustrating red-tape issues are symptoms of a broader system which is too focussed on the individual parts without regard to the nature of how its users, i.e. small businesses, often interact with a range of Government departments and authorities and at various levels of Government across the States and Territories.

The South Australian Government is rightly focussed on growing South Australia's exports, but much more can be done to grow interstate business by ensuring that local businesses which are able to expand interstate do not face unnecessary regulatory barriers and costs. We recognise that this is not necessarily the fault of one State or another, but the fact is that all States have a responsibility to collaborate with each other and the Federal Government to ensure streamlining measures like we have described in this submission are progressed in a timely manner.

Should you require any further information or have questions, please contact Andrew McKenna, Senior Policy Adviser, on (08) 8300 0000 or andrewm@business-sa.com.

Yours sincerely,

Anthony Penney
Executive Director, Industry and Government Engagement



Why this matter is important to South Australian businesses

As South Australia's Chamber of Commerce and Industry, Business SA is the peak business membership organisation in the State. Our members are affected by this matter in the following ways:

- South Australia must be a competitive place to do business, burdening businesses with unnecessary regulation saps their limited resources and makes our State a less attractive place to invest.
- Every business will, at some point, interact with the South Australian government, or an agency of such; these interactions should be as straightforward and effective as possible.
- Complex and burdensome compliance requirements discourage business investment and job growth.
- Regulation and compliance costs disproportionately impact small and medium sized businesses who do not have, or cannot afford, staff dedicated to managing the business' regulation and compliance responsibilities.

Previous submissions and responses

1. Working with other States and Territories through the Council of Australian Governments (COAG) to coordinate information requirements around end of financial year payroll reconciliations.

Context

Business SA previously submitted that the State Government should collaborate with the Federal Government and other State and Territory Governments to simplify the mechanism by which employers report wages and other remuneration to meet various statutory obligations. The existing system requires businesses to report separate amounts to various different governments and statutory authorities. The State Government responded positively to Business SA's suggestion and asked Business SA to provide more detail on this proposal.

Response

Business SA welcomes your willingness to support a proposal to align "wages" reconciliations for the purpose of PAYG withholding tax, payroll tax and 'return to work' equivalent premium calculations. In short, what we are proposing is a common employer portal operated by the Australian Tax Office (ATO) which disseminates all wage information back to individual State revenue and equivalent 'Return to Work' departments/authorities. In this way, employers only have to submit payroll related information via one interface and not deal directly with various Government departments and authorities.

There are a wide range of employee payments which form part of various employee remuneration calculations, for example over 60 for 'Return to Work' premiums in South Australia alone. Business SA recognises there are many differences between the States and Federal Government but there are also many commonalities, such as in relation to payroll tax, which should enable a simplified approach to building a common portal. Our envisaged portal would have tabs for each State and Territory, and operate to enable least data input for businesses operating across various jurisdictions. For example, if a business only operated in South Australia and Victoria, it could enter all relevant wage information on the South Australia tab and on the Victorian tab, be alerted only to the differing treatment of wages, for example in relation WorkCover insurance.

Business SA acknowledges that the State Government would need to undertake a comprehensive review of all the varying employee payment components and definitions which relate to PAYG withholding tax, payroll tax and 'return to work' premiums across the country to rationalise all commonalities and variances, but even a portal would make it simpler and cost-effective for businesses operating across States. We know that many of our most successful members fall into this category and we continue to encourage more businesses in operating across State jurisdictions. While ideally Business SA would like to see further harmonisation across jurisdictions, short of that goal being achieved in the short to medium term, Federal, State and Territory Governments need to work together to create the most efficient administrative pathways for businesses to deal with the existing inter-jurisdictional differences as well as dealing with various government departments and authorities.

After consulting with local stakeholders and the Australian Tax Office, the State Government should aim to take a proposed portal to a relevant Council of Australian Government (COAG) meeting within the next 12 months.

Business SA acknowledges that the Federal Government recently developed a portal for property transfers to track foreign ownership and that the State Government is streamlining data requirements between that portal and RevNet to reduce the regulatory burden on South Australian individuals and businesses. This work is welcome and demonstrates that the State Government is taking initiatives on red-tape and we encourage further work on a similar basis in relation to employee remuneration reporting obligations.

2. Review of regulations under the *Native Vegetation Act 1991 (SA)*.

Context

Business SA previously submitted that costs and limitations regarding native vegetation imposed by the *Native Vegetation Act 1991 (SA)* and its associated regulations were impeding efficient agricultural practices and should be reviewed. The State Government response indicated formal consultation on draft regulations was conducted in July 2016, with the Department of Environment, Water and Natural Resources (DEWNR) proposing a risk-management approach to native vegetation clearance by landowners.

Response

Business SA welcomes draft regulations which apply more reasonable rules for clearance of native vegetation. DEWNR's proposal to adopt a risk management approach and streamlined simple application for low-risk land clearance is promising progress.

3. Drivers licences for regional youth.

Context

Business SA previously submitted that there is a need for the State Government to assist learner drivers in obtaining their probationary driver's license. Business SA made clear we were not suggesting relaxed licence requirements for regional learners, rather we suggested this assistance could take the form of a subsidy or support for NGOs that facilitate driver training through volunteers. The State Government responded by recognising the importance of this issue and invited Business SA to help address this issue.

Response

Business SA welcomes the State Government's recognition that youth unemployment in South Australia's regions is a serious issue worth consideration. Our previous submission highlighted the difficulty disadvantaged regional youth have in getting their probational drivers licence; an essential qualification for life and work in South Australia's regions. This issue was brought to our attention by our regional members, who find it difficult to provide jobs for young people who cannot drive the long distances which characterise our regions or work in agricultural settings which require vehicles to be driven on public roads.

We note the response document invites Business SA to work with the South Australian government on this issue and others facing youth in the regions. Business SA is active in the regions through our Regional Voice program and in upcoming workshops with regional businesses, we will continue to discuss issues such as this to look for innovative solutions. Business SA reiterates our previous submission that the State Government should focus its resources on positive steps to make it easier for disadvantaged regional youth to obtain their probationary drivers licence.

4. Bi-partisan support for 'one-stop shop' environmental approvals.

Context

Business SA previously submitted that cooperation between the State Government and the Federal Government to create a 'one-stop shop' for environmental approvals must continue. The process has been stalled in the Senate since 2014. Without this 'one-stop shop' businesses could frequently need to deal with more than one tier of Government for the same project. The State Government responded by stating a memorandum of understanding had been agreed between the South Australian and Federal Governments, and that the State Government would advocate for the bill's progression.

Response

Business SA welcomes the memorandum of understanding between the South Australian government and the Commonwealth regarding a one-stop shop for environmental approvals. Creation of a 'one-stop shop' will be an effective improvement for businesses seeking environmental approvals. Business SA strongly encourages the South Australian Government to continue advocating for the bill's progression.

5. Removal of Sunday as a public holiday.

Context

Business SA previously submitted that the *Public Holidays Act 1910 (SA)* should be amended to remove reference to 'Sunday' as a public holiday. Business SA based this submission on the fact that the historical purpose of this provision is no longer relevant and public holiday rates are not payable on normal Sundays. The State Government response to this submission stated the issue will not be revisited at this time because public holidays are also enshrined in the shop trading and holidays legislation.

Response

Business SA submits this is not an appropriate response and that these pieces of legislation illustrate exactly why our proposal fits squarely within the objectives of the 'Simplify' process.

Shop trading and holidays legislation does indeed refer to public holidays. The *Holidays Act 1910 (SA)* ('*Holidays Act*') states days mentioned in Schedule 2 will be public and bank holidays.¹ Schedule 2 Part 1 of this Act lists Sunday as a holiday.² The *Shop Trading Hours Act 1977 (SA)* ('*STH Act*') also mentions public holidays. This Act states unequivocally 'public holiday does not include a Sunday'.³ For the *Holidays Act* to state that Sunday is a public holiday, only for the *STH Act* to say that Sunday is not a public holiday is nonsensical.

The *Holidays Act* is further problematic when it interacts with the *Fair Work Act 2009 (Cth)*. The *Fair Work Act* provides that any day prescribed by a law of a State or Territory to be observed generally as a public holiday will be a public holiday.⁴ Consequently, but for the fact that Sunday is a 'nominal' public holiday in South Australia,⁵ an ordinary reading of the *Holidays Act* prescribes Sunday to a public holiday in South Australia. Were the *Holidays Act* applied every Sunday this would impose a crippling cost on businesses. South Australian employers could be forgiven for being confused by the clear contradiction between the *Holidays Act*, the *STH Act* and the *Fair Work Act 2008 (Cth)*.

The purpose of Simplify Day is to remove unnecessary and outdated legislation, regulations and compliance requirements. Legislation is unnecessary if it does not apply in any situation. Legislation is damaging where a plain reading of its sections leads to an incorrect outcome. At best, declaring Sunday a public holiday under the *Holidays Act* is unnecessary; at worst, this declaration will mislead employers/employees into treating Sunday as more than a 'nominal' public holiday, severely damaging South Australia's economy. Either way this must be addressed; reference to Sunday as a public holiday must be deleted.

To declare this issue will not be revisited because public holidays are addressed in multiple pieces of legislation is not sufficient justification for inaction on this issue.

6. Nationally harmonised *Work Health and Safety* legislation – Abolition of State based dangerous substance licencing

Context

Business SA previously submitted that State-based dangerous substance licencing should be abolished to better harmonise national *Work Health and Safety* legislation. In 2015 SafeWork SA had notified South Australian businesses that rather than adopt a nationally harmonised scheme, South Australia would maintain its own dangerous substances licensing scheme; this imposes additional costs and requirements on local businesses as well as reduces workplace safety in South Australia. The State Government responded to this submission by stating the South Australian system offered greater safety and that a review will consider whether a notification model, rather than license model, is more appropriate.

¹ *Holidays Act 1910 (SA)* s 3(1).

² *Ibid* sch 2 part 1.

³ *Shop Trading Hours Act 1977 (SA)* s 4 (interpretation of 'public holiday').

⁴ *Fair Work Act 2009 (Cth)* s 115(1)(b).

⁵ SafeWork SA, 'Public Holidays – South Australia' <https://www.safework.sa.gov.au/uploaded_files/holidayCalendar.pdf>.

Response

Business SA strongly believes the Dangerous substances legislation should be varied in line with the National harmonized system and disagrees that the South Australian system is safer. The South Australian system, which is based on businesses paying a registration fee to the state government, has not demonstrated better safety results than NSW or Victoria which have moved to a notification system. The systems that use the definition of hazardous chemicals, rather than dangerous substances as in South Australia, provide a broader range of coverage and therefore, potentially, a safer system. Additionally, the South Australian business community does not work in isolation with the other states and the transport of dangerous substances and hazardous chemicals occurs daily. Vehicles transporting hazardous substances into South Australia are required to change their signage at the border. Business SA supports a system that provides clear, consistent laws across all jurisdictions to avoid confusion, additional expense and increase safety.

7. *Training and Skills Development Act* changes – re Employer Registration

Context

Business SA previously submitted that the requirement that an employer be registered before taking on an apprentice or trainee should be abolished. Business SA put forward that this requirement delays the commencement of apprentices and trainees and adds unnecessary layers of compliance. The State Government responded by stating reforms of employer registration are being 'worked through'.

Response

Employer registration remains an issue. Business SA has previously advocated for the abolition of employer registration, a South Australian requirement which significantly delays the commencement of trainees or apprentices, and imposes unnecessary compliance obligations on employers. Should abolition not be palatable to State Government, we submit serious and purposeful changes be implemented to increase the speed at which an apprentice or trainee can commence work as an alternative. This could include an approach where an apprentice or trainee could commence their apprenticeship/traineeship while the registration is being processed. This would allow the apprentice/trainee to start work and start learning immediately, benefitting them and removing the administrative lag time currently hindering employers. Where a registration is not approved, an appropriate response can be implemented; from an undertaking to fix a technical deficiency in the workplace through to penalties for fraudulent or exploitative behaviour.

8. *Training and Skills Development Act* changes - Simplify Contract of Training and Training Plan

Context

Business SA previously submitted that we welcomed the review of the *Training and Skills Development Act 2008*, particularly regarding the burden imposed by training plan requirements. These requirements could be difficult to meet for employers in regional or rural areas and could have significant impact on the continuation of training contracts. The State Government responded to this by stating contracts of training and training plans are being 'worked through'.

Response

Business SA welcomes activity which addresses issues with the *Training and Skills Development Act 2008*, particularly contracts of training and training plans. Meaningful reform which addresses the concerns raised by members (such as cancellation of contracts of training due to a delayed training plan) must occur.

Further red tape reduction strategies beyond our prior submission

1. National harmonisation/recognition of child safety checks

Business SA suggests significant changes need to be made regarding working with children and child safety checks. Business SA makes clear that we are not advocating a lessening of working with children check requirements. Instead we submit consistency must be reached, both consistency between requirements in Australian jurisdictions and consistency of requirements for certified persons working with children in South Australian institutions. Currently there is no national approach nor recognition of working with children checks across jurisdictions. The patchwork of regulations and standards required for working with children are not providing the most effective protection for children. This patchwork is also impacting businesses. Our members report difficulty navigating the maze of regulation and inconsistent jurisdictional requirements where working with children in different institutions or across jurisdictional boundaries. These varied regulations and requirements limit their ability to provide work for qualified, certified and fit and proper persons.

This inconsistent approach to working with children checks has been identified as an issue by the Child Abuse Royal Commission ('CARC'), with a report on this issue published on 17 August 2015.⁶ The report notes each state and territory has its own schemes which operate independently of the others, adding: 'They are inconsistent and complex, and there is unnecessary duplication across the schemes. There is no integration of the schemes, and there is inadequate information sharing and monitoring of WWCC [working with children check] cardholders.'⁷ The CARC has identified a number of issues relating to Australia's working with children checks system. Two problems with the current system(s) identified by the CARC are that working with children checks are not portable across jurisdictional borders and that organisations working across jurisdictional borders are challenged when trying to comply with varied and complex schemes.⁸

Business SA recognises this is not singularly a South Australian issue and that these changes will require significant coordination and cooperation between the South Australian Government and its counterparts in other jurisdictions. We further recognise this change will require a broad range of changes to fully implement. However, the CARC has provided a scathing indictment on the current systems. This system is also impacting our members when trying to provide work for fit and proper persons with appropriate qualifications and certifications.

It is beyond the scope of this Simplify Day submission, and beyond Business SA's expertise, to discuss all changes which must be made to improve the working with children checks system. For the purposes of this submission we suggest the State Government make meaningful and purposeful progress toward a harmonised national system of checks for working with children. This national system should be recognised in all jurisdictions and by institutions requiring a working with children check. We note these general submissions align with recommendations 1, 2, 5, 28 and 30 of the CARC report.⁹

In one recent example provided to Business SA, a member of ours was trying to employ an interstate medical professional for a short contract at late notice and despite that same professional having just completed another short contract outside their State of residence (which they obtained a criminal history (child screening) background check via that jurisdiction), the member still faced a 6-week processing period by South Australia's Department for Communities and Social Inclusion for a criminal history (child screening) check.

⁶ Commonwealth, Royal Commission into Institutional Responses to Child Sexual Abuse, *Working with Children Checks Report*, (2015).

⁷ *Ibid* 3.

⁸ *Ibid* 4.

⁹ *Ibid* 6-7, 12, 14.

2. National harmonisation/recognition with checks for working the Aged Care sector and other groups.

Business SA members have reported similar difficulties when navigating check systems for employees working with other protected classes, such as the elderly or persons with a disability. Again, Business SA makes clear we are not suggesting checks for working with protected people be weakened. Rather, Business SA suggests harmonisation efforts highlighted by the CARC could be reapplied in other sectors, such as aged care or disability services. A nationally harmonised and a nationally recognised approach will provide more consistent protection. This will benefit the people who make up the protected group and will allow employers to utilise fit and proper, qualified and certified people to service those communities, regardless of which jurisdiction(s) the service will occur in.

3. Mutual recognition of radiation licences.

Business SA suggests the red tape surrounding South Australian radiation licences, particularly licences for use of radiation emitting equipment, be reduced. Currently a natural person who operates a radiation emitting piece of equipment must hold a licence to do so.¹⁰ This licence is issued by the Environmental Protection Authority of South Australia. This is an appropriate requirement which helps achieve the *RPCA*'s objective of minimising exposure of persons to ionising radiation.¹¹ Similar licencing requirements exist in other jurisdictions.¹² Business SA is not advocating for the abolition of this licencing regime. The red tape issue arising here is that radiation licences are not subject to full mutual recognition in South Australia.

A practical example of this issue would be the permanent migration of a dentist from New South Wales to South Australia, where that dentist holds a current radiation licence under the *Radiation Control Act 1990* (NSW). Under the current licencing regime, that dentist would not be able to take dental x-rays in the South Australian dental practice until they were approved for a South Australian radiation licence; despite holding a valid and current radiation licence in New South Wales. There is no mutual recognition of the dentist's NSW licence, which not only limits the activities that practitioner can undertake in South Australia, but also makes it harder for local businesses to bring skilled employees into South Australia.

The same issue would not arise should migration occur in the other direction. If a radiation licenced South Australian dentist was to move to New South Wales they would be able to apply to the New South Wales Environmental Protection Authority for mutual recognition of their South Australian radiation licence.¹³ Once the South Australian dentist has lodged the application with the NSW EPA they are considered registered (and able to act as if registered) while their application is pending decision.¹⁴ This means the South Australian dentist may take x-rays in a NSW dental clinic as soon as they lodge their application; they do not need a newly approved licence first.

¹⁰ *Radiation Protection and Control Act 1982* (SA) s 31(1) ('*RPCA*').

¹¹ *Ibid* s 23(1).

¹² *Radiation Control Act 1990* (NSW) s 7; *Radiation Act 2005* (Vic) s 13(1)(a); *Radiation Safety Act 1999* (Qld) s 13(1).

¹³ New South Wales Environmental Protection Authority, 'Guideline for the Operation of Part 3 of the Mutual Recognition Legislation in Relation to Radiation User Licensing and Consulting Radiation Expert Accreditation under the *Radiation Control Act 1990*' (Guideline, Environment Protection Authority New South Wales, July 2013) 3 [7].

¹⁴ *Ibid* 8 [18].

South Australia should adopt similar recognition practices. Mutual recognition of radiation licences in New South Wales evolved from their adoption of the *Mutual Recognition Act 1992* (Cth) ('MRA'). This Commonwealth Act seeks to promote free movement of goods and service providers in Australia's national market.¹⁵ This Act applies to States which are a 'participating jurisdiction', a State is a participating jurisdiction if that State refers power to the Commonwealth to enforce the *MRA* or has adopted the Commonwealth Act through a current Act of the State's Parliament.¹⁶ New South Wales is a participating jurisdiction as it has referred power to enforce the *MRA* to the Commonwealth.¹⁷ Crucially, South Australia is also a participating jurisdiction having adopted the Commonwealth Act.¹⁸

The objects of the *MRA* should be actioned in South Australia. If a person is currently licenced to operate a radiation emitting piece of equipment in another Australian jurisdiction, they should be able to operate the same equipment in South Australia on their current licence. An approach similar to that of the NSW EPA should be implemented. The licensed person migrating to South Australia should lodge an application with the South Australian EPA, with that person deemed licenced and able to practice straight away. Once that person's non-South Australian radiation licence expires, then they should apply for a South Australian radiation licence.

¹⁵ *Mutual Recognition Act 1992* (Cth) s 3.

¹⁶ *Ibid* ss 5(1), 43(a).

¹⁷ *Mutual Recognition Act 1992* (NSW) s 4(1).

¹⁸ *Mutual Recognition Act 1993* (SA) s 4(1).

Appendix 1

Business SA's previous Simplify Day submission dated November 2016

Introduction

As the peak employer representative body in South Australia with 178 years behind us, Business SA welcomes the opportunity to provide a submission to the State Government's Simplify Day. Business SA has a long history of advocating for red tape reductions and recognises that for South Australia to become a world competitive place to do business, we must constantly strive to reduce any unnecessary regulatory impost on business, particularly small business. Reducing red-tape is never 'finished business' and it must become ingrained in the way the State Government operates to ensure it remains top of mind across the public sector.

In 2007 Business SA released *Reducing Red Tape and the Cost of Compliance* that ultimately led to the State Government committing to a target of \$150 million in annual net cost savings to business through red tape reductions which was later verified in savings for South Australian businesses of more than \$170 million per annum. Furthermore, this submission made strong representations on the need for payroll tax administrative harmonisation and work, health and safety legislative harmonisation, both of which have since been enacted.

Business SA continues to hear from members about the costs of compliance and frustrations with procedures and reporting requirements associated with government departments and agencies. Members also regularly raise difficulties obtaining clear direction on their compliance responsibilities through regulators, for example SafeWork SA and the Environment Protection Authority, and often resort to 'overkill' to avoid being found non-compliant which comes at an unnecessary cost to their business.

It is important to recognise that regulatory impost not only costs the whole economy, but it has a disproportionate impact on small businesses who do not have, nor can afford, dedicated 'compliance people'. Business SA often hears from small business members who are frustrated by spending unnecessary time on compliance which should be spent growing their businesses.

In order to provide the State Government with specific examples of duplicate processes or overly complex compliance processes that may be considered red tape, in addition to regular member surveys which canvass such topics, Business SA hosted a Red Tape Forum on 18 August 2016.

At the Red Tape Forum, we were able to hear directly from our members about specific examples that were impacting their day to day operations and increasing the cost of doing business. We have used this feedback, along with our working understanding of government departments and processes, to provide specific legislative examples of where we believe the State Government can actively reduce red tape.

We know that increasingly business is moving online and Business SA welcomes the Premier's Digital by Default Declaration. Digital technology is not the entire answer to reducing red tape but this is a welcome initiative as we often hear from our members about their desire for forms and compliance processes to move online. Furthermore, where this can enable businesses to provide less duplicate information to the State Government, all options should be explored for how information can be securely shared and associated red-tape reduced for business.

This submission outlines eight considered red tap reduction recommendations and while they will not eliminate all unnecessary red tape, we believe that many of these recommendations will be a step towards making South Australia a world competitive State to do business in.

Executive Summary

- The State Government recently introduced a streamlined online platform for businesses to register multiple vehicles at once. Business SA acknowledges the State Government for addressing this red-tape issue which was promulgated through our 2014 Red-Tape Survey. While its often the relatively innocuous matters that make a difference to reducing red-tape, every effort to reduce compliance also reduces costs for business, particularly small business where those compliance costs often have a disproportionate impact.
- This submission is focused on specific items of red-tape to ensure the State Government's Simplify Day process does not become too unwieldy but we recognise that there is much more the State Government can do to reduce compliance costs for business, starting through better collaboration to reduce duplicate information requests.
- In light of high youth unemployment in South Australia, Business SA would like to particularly draw attention to our recommendations around the removal of red tape concerning the hiring of apprentices and trainees. These recommendations represent long standing positions of Business SA as outlined in our *2014 Charter for a more prosperous South Australia* and reinforced by consistent member feedback. Furthermore, the State Government should move to improve the access to driver training for disadvantaged regional youth in order to improve their job prospects.
- Work Health Safety (WHS) legislation is commonly raised as a complex and high compliance issue from our members. Business SA recognises that WHS legislation is a vital part of a safe and productive workplace, however, all steps should be taken to minimise unnecessary red tape in this area. One example is the state based Dangerous Substance licensing system that should be abolished and South Australia should comply with the harmonised WHS laws that includes a federal notification system around dangerous substances.
- We recommend the State Government follow through with proposed reforms to regulations under the *Native Vegetation Act 1991* to ensure primary producers can have the flexibility they need to realise all operational efficiencies on farm through technologies centred on GPS driven equipment; aligning with South Australia's economic priority of 'Premium food and wine exported to the world'.
- Business SA members have conveyed a degree of frustration at various Government agencies which are reluctant to provide clear information on what constitutes compliance which can often result in businesses taking excessive steps to comply for fear of failing a regulator's audit. In addition, our small business members often find licensing conditions complex and time consuming and including reporting requirements that do not appear to directly relate to the core purpose of the licence. Standardised forms and online process are favoured by our members when dealing with multiple layers of government.

For further information from Business SA's policy team, please contact Hannah Treloar, Senior Policy Adviser on (08) 8300 0000 or hannaht@business-sa.com

1. Work with other States and Territories through the Council of Australian Governments (COAG) to coordinate information requirements around end of financial year payroll reconciliations.

End of financial year (EOFY) payroll reconciliations require businesses to interact with State Governments & its statutory authorities for the purposes of payments such as payroll tax and workers' compensation premiums.

Business SA recognises the South Australian Government has already taken steps, along with other States and Territories, to harmonise payroll tax legislation across Australia to improve its ease of administration, notwithstanding the maintenance of disparate rates and thresholds.

Businesses in SA are also required to reconcile payrolls for the purposes of calculating Return to Work (RTW) premiums. Each State varies slightly in terms of what wages and other remuneration are included and reported to their individual workers' compensation statutory authority, in order to calculate these premiums.

There are also variances in what wages and other remuneration are included and used as the basis for calculating payroll tax versus RTW premiums. For example, in South Australia fringe benefits are only calculated at the taxable amount for the purposes of calculating RTW premiums whereas fringe benefits are grossed up for the purposes of calculating payroll tax.

Business SA acknowledges the Federal Government is currently in the process of implementing a staged introduction of 'single touch payroll' with a view to extending that mechanism to States and Territory Governments in due course. We recommend the South Australian Government review how single touch payroll could help to improve the reporting of wages and other remuneration by South Australian businesses for the purposes of calculating payroll tax and RTW premiums. Any streamlining of reporting which subsequently allows the relevant Government body to extract necessary information rather than the business having to calculate and report separate amounts would be a welcome cut to State based red-tape.

2. Ensure the current review of regulations under the *Native Vegetation Act 1991* removes or amends any unreasonable limits and costs to achieve efficient agricultural practices.

Business SA's membership is quite diverse and spans the breadth of industry sectors, including approximately 25% of members from South Australia's regions. While we represent business at large, we are strongly focused on the sectors of our economy which are primarily export orientated in recognition of the reality that South Australia's economic growth prospects are inextricably linked to export earnings; exacerbated by our lacklustre population growth and an ageing population which presents in a low labour force participation rate.

Several regional members have raised issues around the costs and limitations native vegetation legislation is placing on South Australia's farmers and Business SA recommends the State Government use the Simplify Day process to expedite the current review of regulations under the *Native Vegetation Act 1991* (the Act) to remove any regulatory barriers to efficient farming practices, for example limitations on clearing single native trees which otherwise prevent large paddocks from optimising controlled traffic farming and other precision agricultural practices.

Business SA is not arguing for open slather rules on removing native vegetation but there is a need to restore some balance where there are low risk examples of prohibited tree clearing preventing the progression of efficient farming practices. We acknowledge the Government's own findings that 74% of applications to clear trees under the Act resulted in only 12% of trees cleared and 73% of applications to clear native patches resulted on only 1% of area cleared.¹⁹ Accordingly, the proposed changes to regulations, particularly the 'risk assessment' approval pathway, should help to remove red-tape for farmers. One of the State Government's economic priorities is "Premium food and wine exported to the world" and if farmers are to be competitive in world markets then every effort needs to be made to ensure they can optimise all available technologies, particularly given Australia's high labour cost structure.

¹⁹ Guide to the draft Native Vegetation Regulations 2016, Government of South Australia, Page 1

Business SA also acknowledges feedback provided on regulation 5 (1) (zg) of the Native Vegetation Regulations 2003 which requires a licence to remove vegetation to enable bores and dams for water points on land not previously grazed within the past 10 years. This regulation impacts upon efficient grazing practices in the pastoral industry and is another example of how South Australia's native vegetation legislation does not support the Government's own economic priorities. Furthermore, South Australia is the only State enforcing a similar regulation and such anomalies only serve to reduce this State's competitiveness.

3. Consider how existing car license requirements impact the capacity of regional youth from disadvantaged families to obtain employment.

Business SA recognises the State Government's strong focus on road safety and the need to ensure learner drivers have adequate experience and competence before obtaining their probationary licence. While we are not advocating to water down licence requirements if there is strong evidence to suggest they are necessary to save lives, we have been provided feedback during this process that the 75 hour supervised driving requirement is quite onerous on regional youth from disadvantaged families who cannot easily access the required driver training through a friend or family member and are not in a position to be able to afford professional training.

If young people are not licenced in rural areas then driving to and from work, not to mention agricultural jobs which require driving, is quite prohibitive due to limited public transport. Employers are telling Business SA that more young people would have a better chance of securing employment in the regions if there was a mechanism to overcome access difficulties to meeting the required log book requirements. If there is no room for flexibility on the specific supervised driving requirements for regional youth, then the State Government should consider measures which increase the practical accessibility of driver training for disadvantaged regional youth whether that be through some form of subsidy or support for NGOs to facilitate that training through volunteers.

Business SA reiterates that South Australia's current youth unemployment rate is double that of the broader population unemployment rate and all reasonable options should be considered to help alleviate this situation.

4. Lobby for bi-partisan support to progress the stalled 'one-stop shop' environmental approvals

Business SA recognises the State Government's support of a 'one-stop shop' environment approvals process with the Federal Government which has not gained bi-partisan support and has being stalled in the Senate since 2014. Considering a new Senate has just commenced, the State Government should lead COAG in calling for a renewed push for a bi-lateral environmental approval process.

In a 2014 submission to the House of Representatives Standing Committee on the Environment, Business SA supported bi-lateral approval processes relating to environmental impacts falling within both State and Federal jurisdictions. It is important that major project proponents only need deal with one tier of Government when progressing through any environmental impact assessment process. Feedback from Business SA members indicates situations have arisen where Federal and State Governments become trapped in a first mover scenario and neither tier will grant approval without the other's commitment. Furthermore, delays in approval processes within Government are not uncommon due to issues of staff continuity which can be at least partially resolved if the private sector only needs to deal with one tier of Government.

5. Public Holiday Act 1910 – Removal of Sunday as Public Holiday

Schedule 2 of the Public Holiday Act 1910 identifies every Sunday in a year as a Public Holiday. Business SA submits that this legislation is outdated and obsolete. This provision is specific to South Australia and not reflected in any other State. The historical purpose of this provision no longer exists.

Whilst Safe Work SA refers to Sundays as a "nominal" public holiday and public holiday penalties are not payable, the inclusion of Sunday as a public holiday serves to provide unnecessary confusion and inconsistency for businesses. Business SA suggestions that Sunday is deleted from Schedule 2 of the Public Holiday Act 1910.

6. National Harmonised Work Health Safety Legislation – Abolish State based Dangerous Substance Licensing

When the National harmonisation of the Work Health and Safety laws occurred it was indicated that the state based Dangerous Substances Licencing would be removed and a notification system entered into by each of the harmonised states as of 1 January 2016.

In November 2015 SafeWork SA notified South Australian businesses that the state based dangerous substances licencing scheme would be maintained. This is a step away from the nationally harmonised scheme.

SafeWork SA should abolish the state based dangerous substance licensing and fully comply with the nationally harmonised system.

The federal notification system covers all hazardous chemicals that meet a certain (manifest) level, not just the Class 2 LPG, Class 3 Flammable Liquids, Class 6 Toxic and Class 8 Corrosive substances that are covered in *Dangerous Substances Act 1979*.

South Australian businesses that are required to be licenced in South Australia adds not only additional costs and requirements but also one that reduces workplace safety in South Australia.

Dangerous goods legislation also has unintended consequences, for example in the pastoral industry where feedback has been provided to Business SA that gas bottle storage requirements, particularly in relation to volume, are not practical when limits are based on single property titles.

Basing a limit on a unique title might have relevance in urban areas, but it does not accord with the relative risks when separate farm houses or work sheds on pastoral land are usually kilometres apart. Despite the feedback that at present SafeWork inspectors are using common sense on this issue, it should be addressed formally through a legislated exemption to ensure pastoral businesses are not exposed to prosecution.

7. Training and Skills Development Act 2008 – Abolish Employer Registration

Division 3 of the *Training and Skills Development Act 2008* requires that an employer be registered before taking on an apprentice or trainee. This is a state requirement and is not a requirement in other states and territories including Queensland, Western Australia or the Northern Territory. Business SA has advocated for the removal of the registration requirement as it often delays the commencement of apprentices or trainees and imposes additional unnecessary layers of compliance. Business SA suggests that all compliance procedures included in employer registration are either adequately covered by other laws and regulations or could be covered through the contract of training and training plan approval process. Business SA understands that the Department of State Development is currently conducting a limited review of the *Training and Skills Development Act 2008* and this review should consider abolishing employer registration.

8. Training and Skills Development Act 2008 – Simplify Contract of Training and Training Plan

Division 2 of the *Training and Skills Development Act 2008* requires that a contract of training also includes a training plan. Business SA understands the importance of a training plan, however, we often hear from members that training plans can be delayed due to a variety of reasons (particularly in rural or regional areas where the RTO might not be locally based) and this ultimately results in the cessation of a contract of training. The cancellation of a contract of training due to a delayed training plan often results in many negative flow on effects. Business SA understands that the limited review of the *Training and Skills Development Act 2008* is proposing to streamline the process so that the RTO has to state intent to train and has additional time to provide a training plan so that the contract of training can commence without delays. This is a welcome step forward, however, has not yet been implemented.