

Prepared by:

Queensland Office for Regulatory Efficiency Queensland Treasury Tel. (+617) 3234 0455

Foreword



The Queensland
Government is committed
to maintaining a
competitive business
environment which
underpins the strength of
the Queensland economy.
For the twelfth consecutive
year, Queensland's
economy has outpaced the

national rate of economic growth.

The Smart Regulation Annual Report 2007-08 details regulatory improvement initiatives of the Queensland Government that have delivered over \$70 million in savings to Queensland business, community and government. These regulatory savings support Queensland businesses in their efforts to improve productivity and competitiveness.

The Government is now strengthening this regulatory reform agenda for Queensland by building on the benefits from past reform efforts at both the Federal and State levels.

This will be on two main fronts – reducing barriers to trade and commerce between Queensland and the rest of the country, and reducing the regulatory burden on Queensland business, community and government.

Firstly, this Government has agreed to participate in the Council of Australian Governments' new regulatory reform agenda for reducing the costs of regulation and enhancing workforce mobility and productivity in areas of shared Commonwealth, State and Territory responsibility. We strongly support this ambitious agenda which includes reform in 36 regulatory areas.

Secondly, this Government's Smart Regulation Reform Agenda puts in place an improved regulatory environment that supports better economic, social and environmental outcomes for Queensland.

This Agenda focuses on productivity, innovation and competitiveness, making Queensland more attractive to both individuals and business investment.

This Agenda tackles the quantity of existing regulation and the quality of future regulation simultaneously. It will deliver measurable benefits that can be seen and felt by business, community and government.

As a first step, I have asked all government agencies to review their existing stock of regulations to find opportunities to reduce the current burden.

We will implement strategies to remove unnecessary regulatory requirements, strengthen key areas where protections are required, and streamline legislation and processes. These actions will improve access and compliance for business, safeguard the community, and reduce the burden on government.

To drive achievement of real outcomes I recently announced the Government's commitment to a target of reducing the compliance burden to business and the administrative burden to government by \$150 million by 2012-13.

Going forward, the Government is reviewing its regulatory impact assessment processes for opportunities to improve the quality of all new Queensland regulation.

These initiatives demonstrate the Queensland Government's commitment to maintaining a competitive regulatory environment that supports Queensland business, community and government in driving innovation, productivity and economic growth for the benefit of all Queenslanders.

Andrew Fraser
Treasurer
Minister for Employment and Economic
Development

Contents

П	Fo	re	wo	rc

- 1 Introduction
- 2 Queensland's Regulatory Reform Activities 2007-08
- 2 Commitment to National Reform
- 2 Regulatory Reform Achievements
- 5 Regulatory Review Activities
- 6 Moving Forward Queensland's Smart Regulation Reform Agenda
- 6 Objectives
- 6 5-Point Action Plan
- 7 Key Reporting Highlights for 2008-09
- 7 Regulatory Reform Initiatives for 2008-09
- 7 Queensland Regulatory Simplification Plan
- 8 Appendix 1 Regulatory Reform Achievements
- 8 Economic Initiatives
- 11 Law and Justice Initiatives
- 12 Social Initiatives
- 14 Environmental and Resource Initiatives
- 15 Appendix 2 Regulatory Review Activities
- 15 Economic Reviews
- 16 Law and Justice Reviews
- 17 Social Reviews
- 17 Environmental and Resource Reviews

Introduction

Creating an efficient and effective regulatory environment is a significant challenge confronting governments nationally and internationally.

Regulation is necessary to protect the community and environment, and is an essential part of running a well-functioning economy and society. However, it is important to find an appropriate balance between the benefits and costs of regulation to deliver the best possible outcomes for the community, business and government.

The costs of unnecessary and excessive regulation are borne by everyone – individuals and businesses lose time and money understanding and complying with the rules resulting in reduced business profits and higher prices for consumers; and government spends time and money administering, communicating and enforcing regulation which results in higher administration costs. However, simply focusing on reducing red tape is not enough.

Central to establishing a smart, effective and responsive environment for the 21st century is eliminating unnecessary and excessive regulatory requirements and streamlining remaining areas of legislation and processes where possible, while preserving or strengthening community safeguards and protections with best practice regulation.

The Queensland Government's new Smart Regulation Reform Agenda puts in place a 'smart' regulatory environment that supports better economic, social and environmental outcomes for Queensland. The new Smart Regulation Annual Reports will report on the Queensland Government's activities in rolling out this Agenda.

The Smart Regulation Annual Report replaces the former Red Tape Reduction Stocktake Report. Whilst the Stocktake's singular focus was on reporting on red tape reduction initiatives with benefits to business only; the new Smart Regulation Annual Report's focus includes community and government, not just business. Further, the new Annual Report will capture reform activities that strengthen the regulatory environment using best practice regulation principles, not simply red tape reduction activities.

This report also details the Queensland Government's participation in the Council of Australian Governments' Business Regulation and Competition Reform Agenda to establish a more 'seamless' economy at the national level. At the state level, the Annual Report 2007-08 shows how Queensland Government regulatory improvement initiatives delivered over \$70 million in savings to Queensland business, community and government. These initiatives focus on increasing efficiency, productivity and competitiveness, thereby making Queensland more attractive to both individuals and business investment.

Some of these initiatives include simplifying licensing frameworks for building site supervisors, reducing trust account reporting requirements, improving access to government assistance and services for community service providers, and introducing online lodgement facilities for duties payments.

In some instances it is difficult to provide a dollar value for non-quantifiable initiatives which have been undertaken across the Queensland Government. However, these initiatives do deliver benefits to business, community and government through the simplification of internal agency administration, processes and enhanced client service delivery.

The report also provides an overview of some key regulatory reviews undertaken across the Queensland Government in 2007-08 and of the Government's recent commitment to develop the Queensland Regulatory Simplification Plan.

Further information about the Smart Regulation Annual Report and related regulatory reform activities can be obtained from:

Queensland Office for Regulatory Efficiency Queensland Treasury Level 8, 100 George St GPO Box 611 BRISBANE QLD 4001

t: (+617) 3234 0455

e: QORE@treasury.qld.gov.au

Queensland's Regulatory Reform Activities 2007-08

Commitment to National Reform

In March 2008, Queensland, through the Council of Australian Governments' (COAG) committed to a new Reform Agenda for Business Regulation and Competition to develop a national seamless economy. This ambitious agenda, which includes reform in 36 priority areas, is designed to reduce the costs of regulation and enhance productivity and workforce mobility in areas of shared Commonwealth, State and Territory responsibility.

Through this agenda, jurisdictions committed to:

- continuing to reduce the level of unnecessary and/or inconsistent regulation across jurisdiction;
- delivering the 27 agreed COAG deregulation and 8 competition priorities; and
- continuing to improve processes for regulation making and review.

Queensland strongly supports the COAG reform agenda and has undertaken significant work to ensure the interests of all Queenslanders have been adequately represented at the national level.

The key areas of national regulatory reform include occupational health and safety, environmental assessments and approvals processes, payroll tax harmonisation, national trade licensing, personal property securities, consumer policy, standard business reporting, and business names registration. Competition priorities include infrastructure access regulation and national transport policy.

Further information about the COAG reform agenda and the Implementation Plan for Business Regulation and Competition can be found at www.coag.gov.au.

Regulatory Reform Achievements

The Queensland Government has a long standing commitment to improve Queensland's regulatory environment, including investing significantly in reform initiatives to reduce the regulatory burden on business and community, as well as strengthening areas where regulation is necessary for social or environmental reasons, but doing so using best practice regulation.

This section features examples of regulatory reform initiatives, regulatory improvement initiatives and process improvement initiatives undertaken across the Queensland Government during 2007-08. These initiatives reflect the practical and innovative approaches taken by agencies to improve the regulatory framework for Queensland businesses, community and government, and deliver productivity improvements to the economy as a whole.

This showcase also promotes smart regulatory practice across government, and offers opportunities for agencies to learn new ways to conduct regulatory reform.

A more detailed analysis of these initiatives is presented in Appendix 1.

Queensland's Regulatory Reform Activities 2007-08

Economic Initiatives

Land Tax Reforms

Queensland Treasury delivered an estimated \$50 million in land tax relief to taxpayers in 2007-08 to address the impact of rising land valuations on land tax liabilities. This was achieved through two initiatives: raising the exemption threshold for natural residents and companies, trustees and absentees; and introducing a 50% cap on annual increases in the land value for calculating land tax.

Simplified Licensing Framework for Building Supervisors

The Queensland Building Services Authority saved industry an estimated \$1.4 million in 2007-08 by introducing a simplified, two-tiered licensing system for building supervisors. This replaced the previous system which failed to recognise that different classes of licences required different technical skills and experience. Certain licence applicants now no longer need to meet the added expenses of gaining technical qualifications not relevant to their role.

"I'd like to remind all builders of the new grade of BSA licence now available... to improve the standard and quality of supervision of building work, and to offer employees more opportunities to become a qualified contractor in the Queensland building industry."

John Gaskin, Chairman, Queensland Building Services Board

Simplified WorkCover Premium Payment and Assessment Process

The Department of Employment and Industrial Relations delivered savings in excess of \$17.9 million to Queensland business throughout 2007-08. WorkCover Queensland implemented a package of reform initiatives aimed at streamlining and cutting the red tape of its premium payment and assessment process. Initiative 1 introduced simplified and flexible ways for employers to provide wages information for the premium assessment, including online service, phone lodgement and a simplified form for traditional paper lodgement. Initiative 2 introduced an automated premiums assessment process for businesses with premiums of less than \$1,000. Initiative 3 provided a range of flexible, interest-free payment options for employers with premiums over \$1,000 including the option to pay the annual premium early and receive a 3% discount.

Introduction of e-Smartcards to the Taxi Subsidy Scheme

In 2007, Queensland Transport made the Taxi Subsidy Scheme more accessible to scheme users and more efficient and productive for the taxi industry by introducing the use of electronic transaction cards to replace the pre-existing inefficient paper-based scheme. This move to an electronic system has also delivered processing and administrative savings to government of \$0.8 million.

Introduction of Skilling Queenslanders for Work

The Department of Employment and Industrial Relations' new initiative, *Skilling Queenslanders for Work* (SQW) provides grant funding to not-forprofit community organisations, local government bodies and industry associations to assist those most disadvantaged in the labour market. SQW is delivering savings to the community and community organisations by simplifying government processes and improving access to government services.

Streamlined Government Financial Incentive Schemes

Following the review of its 22 financial incentive schemes, the Department of Tourism, Regional Development and Industry began implementing a package of reforms designed to streamline processes and procedures for business to apply for financial incentives from the Queensland Government, reduce the number of schemes and deliver a more simplified marketing message that will assist business in identifying and accessing these schemes.

New Taxpayer On-Line Services

Queensland Treasury is implementing a new Revenue Management System to deliver a single integrated system for pay-roll tax, duties, land tax and fuel subsidy payments. This initiative is being implemented in three releases and one of the key outcomes is reduced compliance burdens to business through the use of e-functionality.

"I really like the ability to get a head start by inputting data into the system for large column transactions at the beginning of the week and then lodging them in one go. The comments field is a great opportunity to add additional information to clarify any points and I can see the historical data access being a big help at audit time. The internal support has been excellent to help me use the full extent of the system".

Faye MacCormack, Head Assessor, Wilkinson Boynton

Queensland's Regulatory Reform Activities 2007-08

Law and Justice Initiatives

Simplified Trust Account Reporting Requirements

The Department of Justice and Attorney-General delivered administrative savings to Queensland law firms and the Queensland Law Society throughout 2007-08, by removing duplicative requirements for law firms when reporting certain trust account information.

Improved 'Blue Card' System

The Commission for Children and Young People and Child Guardian strengthened the blue card system by expanding its exclusionary framework and aligning it with other state child protection Acts to provide additional safeguards and reduce the risk to children while providing businesses with improved clarity about who is eligible to enter into regulated childrelated environments.

Reform of Local Government Boundaries

The Department of Local Government, Sport and Recreation reformed local government area boundaries, reducing the number of local councils in the State from 157 to 73. This reform was designed to deliver a stronger local government system capable of dealing with the challenges of planning for the transformation communities are experiencing due to shifts in economic activity. This reform also aimed to ensure that local governments can manage in a way that delivers quality environmental outcomes, well serviced, socially supported communities and sustainable use of natural resources.

Reduced Duplication in Probity Audits of Gaming Licence Holders

The Queensland Office of Liquor, Gaming and Racing, working with other Australian jurisdictions and New Zealand, managed and led a pilot interjurisdictional probity audit program of major gaming licence holders. As part of this program, Australian and New Zealand jurisdictions agreed to refrain from conducting any further probity audits on jointly audited businesses for at least two years. This program has delivered a reduction in the compliance burden to business and cost savings to government.

"I wanted to send a short note to thank you for the manner in which the recent probity investigation has been conducted... Managing the probity process has been an enormous task but one that was made significantly easier from my perspective..."

Ms Tracey Elkerton, Global Compliance Manager, Compliance, ALL.

Social Initiatives

Simplified Access to Social Housing

To simplify access to social housing for applicants and eliminate duplication, the Department of Housing, relevant community organisations and the Brisbane Housing Company merged their separate wait lists into a combined wait list for social housing. Additionally, there is also reduced administrative cost and greater organisational efficiencies for funded community housing organisations that no longer need to maintain individual housing wait lists for clients to access their services.

Improvements to Funding Management of Community Service Providers

The Department of Communities implemented a number of initiatives to improve the funding management process of community service providers. These included simplifying funding processes, reviewing service agreements and developing online reporting systems. These initiatives reduced administrative duplication by community service providers applying for funding, complexities in the funding framework and the administrative burden of manual reporting.

Redevelopment of the Queensland Government Internet Site

In 2008, Smart Service Queensland redeveloped the Queensland Government Internet Site (www.qld.gov.au), which included implementation of a whole-of-Government search engine and incorporation of a dedicated community consultation section. These changes streamlined the approach for business and community access to government information by consolidating government information into a central location.

Environmental and Resource Initiatives

Improved Heritage Site Management Practices

The Environmental Protection Agency introduced the *Queensland Heritage and Other Legislation Amendment Act 2007* (QHOLA) to implement a more strategic and streamlined approach to managing heritage. The new Act provided business with greater certainty about development of heritage places, reduced red tape, and provided the community and local government with greater clarity about management and preservation responsibilities of heritage sites. These reforms have strengthened the regulatory framework for heritage management in Queensland by balancing the need to improve the efficiency of heritage regulation with maintaining the Government's commitment to protecting Queensland's historic places.

Queensland's Regulatory Reform Activities 2007-08

Regulatory Review Activities

In addition to the Queensland Government's work throughout the year in developing and implementing regulatory reform initiatives, significant resources are invested in reviewing our existing regulatory stock to identify further areas for reform. The following section highlights some of the regulatory reviews commenced across the Queensland Government in 2007-08. Further detail about each review can be found at Appendix 2.

Economic Reviews

Property Agents and Motor Dealers – review of the *Property Agents and Motor Dealers Act 2000* to simplify the level of regulation while maintaining effective consumer benefits (completed).

Competition Reform – amendments to the *Queensland Competition Authority Act 1997* passed in line with the national Competition and Infrastructure Reform Agreement (CIRA) to improve the responsiveness of the regulatory framework to the changing investment climate in Queensland (completed).

Port Competition and Regulation – review of regulation of ports and port authority handling and storage facility operations to ensure consistency with agreed CIRA principles and that the regulatory framework applying to these ports does not restrict opportunities for competition (completed).

Law and Justice Reviews

Police Service Administration – review of the *Police Service Administration Act 1990* to ensure the recommendations arising from the Fitzgerald report continue to provide flexibility in the command structure and improve managerial standards within the organisation (expected completion date: 2009-10).

Weapons Act – review of the *Weapons Act 1990* to consolidate provisions for the regulation or prohibition of weapons and articles (expected completion date: 2009-10).

Gambling Community Benefit Fund – review of the Gambling Community Benefit Fund to enhance the governance, efficiency, accountability and transparency of the Fund (expected completion date: first half of 2009).

Local Government, Sport and Recreation – two separate reviews: i) to maintain an up-to-date statute book by repealing redundant legislation and reforming regulatory frameworks where appropriate, and ii) to streamline the *Local Government Act 1993* (expected completion date: 2008-09).

Freedom of Information and Privacy – review by the Freedom of Information (FOI) Independent Review Panel of the Queensland FOI and information privacy regulatory framework resulted in recommendations for a new improved framework to simplify public access to information (completed).

Social Reviews

Child Care – review of the *Child Care Act 2002* to streamline and align the regulatory framework with proposed new national quality standards (expected completion date: subject to national legislative reform).

Health Quality and Complaints – review of health service standards for health service providers to assess the level of effectiveness in achieving their objectives to improve the quality of health services, and assess the level of compliance by health care service providers (expected completion date: June 2010).

Environmental and Resource Reviews

Mining – review of the *Mineral Resources Act* 1989 and the *Fossicking Act* 1994 to enhance the Government's stewardship of the State's resources, streamline administrative processes and ensure that the regulatory environment for exploration, mining and fossicking in Queensland complies with best practice (completed).

Vegetation Management – review of the current vegetation management framework to streamline its administration and operation (completed).

Biosecurity – review of the complex legislative framework underpinning Queensland's biosecurity system, and consolidation of the various Acts into a single Act to address inconsistencies and inadequacies arising from the current multi-layered legislative framework (expected completion date: end of 2009)

Indigenous Cultural Heritage – review of the Aboriginal Cultural Heritage Act 2003 and the Torres Strait Islander Cultural Heritage Act 2003 focusing on the efficiency and effectiveness of the legislation's implementation, operation and performance (expected completion date: April 2009).

Moving Forward – Queensland's Smart Regulation Reform Agenda

Objectives

While the COAG Business Regulation and Competition Reform Agenda is aimed at supporting the development of a seamless national economy, a strong state regulatory reform agenda that delivers productivity benefits to Queensland business, community and government is critical to the State's continued competitiveness.

Queensland's Smart Regulation Reform Agenda puts in place a 'smart' regulatory environment with a particular focus on productivity, innovation and competitiveness, thereby making Queensland more attractive to both individuals and business investment.

This Agenda builds on previous reform work by tackling the quantity of existing regulatory stock and the quality of future regulation simultaneously. Key to this is eliminating unnecessary and excessive regulatory requirements and streamlining remaining areas of legislation and processes where possible, while preserving or strengthening community safeguards and protections with best practice regulation.

The Smart Regulation Reform Agenda will deliver measurable benefits that can be 'seen and felt' by business, community and government. This outcome will be driven by Government's initial target of reducing the compliance burden to business and administrative burden to government by \$150 million by 2012-13.

5-Point Action Plan

The Smart Regulation Reform Agenda is an innovative 5- point action plan comprising the following key actions:

Action 1: Establishing Leadership and Governance

 The Treasurer leads and directs the national and state reform agendas across the Queensland Government.

Action 2:

Reducing the Existing Stock of Regulation

- Develop the Queensland Regulatory Simplification Plan 2009-2016 that outlines a phased program of reviews by agencies of their existing stock of regulation.
- Continue active support for the COAG agenda and harmonisation efforts in agreed Business Regulation and Competition reform areas.

Action 3: Improving the Quality of New Regulation

 Introduce a streamlined, more rigorous and harmonised set of processes to improve the quality of future legislation and regulation. This system will provide better measurement and understanding of the regulatory impacts on both business and the community.

Action 4:

Improving the Business-Government Interface

 Investigate strategies to improve access by business to government information and better support consultation and compliance.

Action 5:

Measuring and Reporting on Progress with the Reform Program.

 Report annually on progress with the Government's regulatory reform activities at the national and state levels in the Smart Regulation Annual Report.

In actioning the Smart Regulation Reform Agenda, the Queensland Government will continue to ensure that appropriate and relevant safeguards and protections are maintained.

Key Reporting Highlights for 2008-09

Regulatory Reform Initiatives for 2008-09

The Queensland Government is working to continually improve the State's regulatory framework. A number of current reform activities undertaken by departments missed out on inclusion in this report as they were not yet fully implemented by July 2008. Nevertheless, these reforms will deliver significant and real savings to business, community and government, and will be captured in the next annual report.

Highlights for the coming year include:

- a red tape reduction program in the Office of State Revenue;
- simplification of registration requirements for professional engineers in Queensland;
- the establishment of a new single civil and administrative tribunal consolidating the various existing tribunals
- introducing an appeals mechanism to the Building and Development Tribunal allowing for a cheaper, faster and more accessible appeals process;
- enabling online electronic reporting of dangerous goods manifests by shipping agents to national and state regulators; and
- simplifying the fee structure of government funded training at TAFE Queensland Institutes.

Queensland Regulatory Simplification Plan

A priority action under the Queensland Government's new Smart Regulation Reform Agenda is reducing the regulatory burden from the existing stock of regulation (including primary legislation, subordinate legislation and quasi regulation).

This is to be achieved through the Queensland Regulatory Simplification Plan 2009-16 that outlines a phased program of reviews by agencies of their existing stock of regulation. The objective of this initiative is to achieve an overall net reduction in the existing stock of regulation to deliver productivity benefits to business, community and government.

The Queensland Government's initial target for reducing the compliance burden to business and the administrative burden to government is \$150 million by the end of 2012-13.

Under this Plan, all Queensland Government agencies will develop their own three-year regulatory simplification plan to reduce the regulatory burden from existing regulation on business, community and government.

Generally, an agency will focus on achieving its target by undertaking activities including regulatory requirements reviews and regulatory process improvement projects.

Progress against the \$150 million regulatory reduction target will be reported through future annual reports.

Appendix 1 - Regulatory Reform Achievements

Economic Initiatives

Land Tax Reforms

Agency: Queensland Treasury

Impact of rising land valuations on land tax liabilities.

Response: In the 2007-08 State-Budget, the Government announced significant land tax reform to address the impact of

rising land valuations on land tax liabilities. This package of reform included two initiatives:

Initiative 1 raised the exemption threshold for natural residents from \$500,000 to \$600,000. The minimum land tax payable was \$1,200 once the taxable value of the land reached \$600,000. The exemption threshold for companies, trustees and absentees was raised from \$300,000 to \$350,000. The minimum land tax payable was \$2,250 once the taxable value reached \$350,000.

Initiative 1 reduced the number of resident individuals in the land tax system by 6,000, and the number of companies, trustees and absentees by over 4,000 in the 2007-08 financial year.

Initiative 2 introduced a 50% cap on annual increases in the land value used for calculating land tax. Based on valuations for the 2007-08 land tax year, it is expected that the 50% cap on increases in land values each year for three years provided a benefit to over 4,500 resident individuals and over 6,300 companies, trustees and absentees.

The application of three-year averaging for assessments, whereby the land value is determined by the unimproved property values for the current and preceding two years rather than simply using the current year valuation, moderates and delays the impact of valuation increases to mitigate the impact of recent land valuations on land tax liabilities. Queensland was the first state to apply three-year averaging to land tax.

Outcome: As a package, these initiatives are estimated to have delivered \$50 million in land tax relief to taxpayers in

2007-08.

Simplified Licensing Framework for Building Supervisors

Agency: Queensland Building Services Authority

Inefficient licensing framework for building supervisors.

Response: In December 2007, the Building Services Authority implemented a simplified, two-tiered licensing system for

building supervisors. Previously, the licensing framework for building site supervisors adopted a 'one-size-fits-all' approach and failed to recognise that different classes of licences required different technical skills and

experience.

Under the new system, licensing requirements for site supervisors are linked directly with the technical and managerial skills and experience needed to carry out site supervision, rather than the wider responsibilities and functions of contractors and nominee supervisors. Certain licence applicants now no longer need to meet the

added expenses of gaining technical qualifications not relevant to their role.

Outcome: Savings to the building industry of an estimated **\$1.4 million** throughout 2007-08.

Savings breakdown

Licence classes	Approvals	Technical Savings**	Total Technical Savings
Builder - Open	782	1000	\$782,000
Builder - Medium Rise	185	800	\$148,000
Builder - Low rise	324	840	\$272,160
Builder - restricted	102	1100	\$112,200
Trades	353	350	\$123,550
Estimated total savings to industry*	1746	n/a	\$1,437,910

^{*} The legislation introducing site supervisor licensing commenced on 21 December 2007. Accordingly the above figures represent a 6 month period only and not a full 12 months.

^{**} Savings in attaining technical qualifications are based on full course fees excluding subsidies or other discounts that may be available. The above savings do not include any representation of time savings to complete technical qualifications and experience requirements.

Simplified WorkCover Premium Payment and Assessment Process

Agency: Department of Employment and Industrial Relations

Issue: WorkCover premium payment and assessment process

WorkCover Queensland implemented a package of reform initiatives aimed at streamlining and cutting the red tape of Response:

its premium payment and assessment process.

Initiative 1 introduced simplified and flexible ways for employers to provide wages information for the premium assessment, including online service, phone lodgement and a simplified form for traditional paper lodgement. This initiative delivered savings on resources required to process wages declarations as data entry is no longer required; the new facility uploads data entered via the internet directly into the WorkCover data processing system for assessment. Approximately 54,000 wage declarations were lodged via the internet and telephone during the 2007-08 financial year. This saved WorkCover approximately \$50,000 in processing charges.

Initiative 2 introduced an automated premiums assessment process for businesses with premiums of less than \$1,000. This initiative simplified and streamlined the premiums assessment process for Queensland business, negating the need to provide wages declaration, unless the automatic assessment is inaccurate. The faster receipt of information allows faster assessment and receipt of premiums. In 2007-08, approximately 73,300 automatic assessments were completed, which has saved businesses approximately 1,200 hours. In addition, WorkCover saved three minutes per automatic assessment, equating to approximately \$96,000 in 2007-08.

Initiative 3 provided a range of flexible, interest-free payment options for employers with premiums over \$1,000 including the option to pay the annual premium early and receive a 3% discount. This initiative was adopted for approximately 68,500 of the premium payments and directly saved Queensland business approximately \$17.9 million per annum. Early receipt of premium for WorkCover allows early maximisation of funds in investment to smooth market fluctuations and assist in maintaining low premiums for Queensland business.

Outcome: Savings in excess of \$17.9 million to Queensland business throughout 2007-08.

Introduction of e-Smartcards to the Taxi Subsidy Scheme

Queensland Transport Agency:

Issue: Improving the efficiency and effectiveness of the Taxi Subsidy Scheme (TSS)

The TSS was developed to assist in the mobility of people with severe disabilities. The paper-based scheme Response:

limited the efficiency of transactions and imposed an avoidable time and labour cost on the taxi industry. Paper

vouchers also restricted the usability and simplicity of the scheme for its target user group.

In October 2007, Queensland Transport introduced the use of electronic transaction cards to the TSS. This move to an electronic system has improved the efficiency and productivity of the taxi industry by reducing trip-end processing time, the labour component of fare payment and providing more complete and accessible information for taxi companies regarding their performance in meeting their legislative obligations to the needs of people with disabilities. The removal of manual paperwork also makes the TSS significantly more accessible to scheme users.

Outcome: Improvements to the efficiency and productivity of the taxi industry, and processing and administrative savings to the Queensland Government of \$0.8 million.

Savings breakdown

Processing savings to Government	
Prevention of fraudulent payments by Government	
Estimated total savings to Government	

Introduction of Skilling Queenslanders for Work

Agency: Department of Employment and Industrial Relations

Issue: Complexity of non-integrated and overlapping grant funding programs for jobseekers.

Response: The Department of Employment and Industrial Relations' new initiative, Skilling Queenslanders for Work (SQW),

provides grant funding for not-for-profit community organisations, local government bodies and industry

associations to provide assistance to those most disadvantaged in the labour market.

Building on previous initiatives, SQW is a more flexible and holistic assistance package. It integrates several

programs into one simplified system and offers a mix and match of tools for individuals to use.

The new program means community organisations that were previously required to complete multiple applications for multiple projects now only need to complete one combined application, contracting, reporting and acquittal process for all their projects. To further simplify things, these organisations can also enter into long

term contracts of up to three years, only completing abridged applications in subsequent years.

Outcome: SQW is delivering significant resource and administrative savings to the community and community

organisations by removing duplication, simplifying government processes and improving access to government

services.

Streamlined Government Financial Incentive Schemes

Agency: Department of Tourism, Regional Development and Industry

Issue: Complexity and lack of industry awareness of Queensland Government financial incentive schemes.

Response: Following its review of the 22 financial incentive schemes, the Department of Tourism, Regional Development and Industry began implementing a package of reforms aimed at addressing industry calls for clearer marketing

and simplification of the large number of different schemes available, along with improvements in the length of

time for processing applications.

These reforms will streamline processes and procedures for business to apply for financial incentives from the Queensland Government, reduce the number of schemes and deliver a more simplified marketing message that

will also assist businesses in identifying and accessing these schemes.

One such reform includes the new Business and Industry Transformation Incentives (BITI) scheme that simplifies and amalgamates four previous schemes into one. The processing time for applications under BITI is approximately halved compared to the previous Queensland Industry Development Scheme, making it more

accessible, efficient and beneficial for Queensland business.

Outcome: Easier and more efficient industry access to, and awareness of, Queensland Government financial incentive

schemes.

New Taxpayer On-line Services

Agency: Queensland Treasury

Issue: To replace aging and disparate technology and to provide clients with greater access to a simple online system

to lodge and pay taxes, and receive grant payments.

Response: Queensland Treasury is implementing its new Revenue Management System (RMS) in three releases. One of the

 $key \ outcomes \ is \ reduced \ compliance \ burdens \ to \ business \ through \ the \ use \ of \ e-business \ functionality.$

Release 1 of the RMS enabled e-functionality to lodge payroll tax returns. Release 2 'Duties Online' goes further and offers taxpayers e-functionality for duties. Duties Online is a smart, safe and more efficient way for self-assessors to lodge and pay their duties returns online. It reduces the level of red tape and makes the

interactions with the Office of State Revenue easier and more convenient.

Release 3 of RMS, which is currently being developed, will expand the secure e-business interface with online access to information, e-lodgement, self assessment and e-payment to land tax and grants and subsidy payments. This will result in a significant reduction in compliance burdens for business and the community.

Outcome: Savings to businesses and government will be quantified once the project is fully implemented. Non-quantifiable benefits to business from this initiative include:

- convenience for self-assessors who can lodge duties returns from their desk, 24 hours a day, 7 days a week;
- instantaneous lodgement (no need to account for postage time), automatic receipt and record of transaction; and
- greater accuracy in calculating duty (less chance self-assessors will receive a penalty).

Law and Justice Initiatives

Simplified Trust Account Reporting Requirements

Agency: Department of Justice and Attorney-General

Issue: Duplication in trust account reporting requirements.

Response: In May 2008, the Legal Profession Regulation 2007 regulation was amended to remove the duplicative

requirement for law firms to submit certain trust account information to the Queensland Law Society provided an

external examiner has previously done so.

Outcome: On top of the administrative savings to law firms, this amendment saves the Queensland Law Society time and

administrative costs of receiving and reviewing 1500 extra forms.

Improved 'Blue Card' System

Agency: Commission for Children and Young People and Child Guardian

Issue: Blue card exclusionary framework.

Response: The Commission for Children and Young People and Child Guardian amended its legislative framework in March

2008 to strengthen the blue card system by expanding its exclusionary framework and aligning it with other child

protection related Acts.

The amendments made it an offence, punishable by 5 years imprisonment, for a 'disqualified person' to declare they are eligible to apply for a blue card. Previously, it was not an offence for a 'disqualified person' to apply for a blue card. A disqualified person is a person who has been convicted of a specified child-related offence,

including a child related sex offence, child pornography offence, or murder of a child.

Outcome: These amendments, although increasing regulatory requirements, provide better social outcomes through

additional safeguards and reduced risk to children. These amendments also provide improved clarity and certainty upfront to business about who is eligible to enter into regulated child-related environments.

Reform of Local Government Area Boundaries

Agency: Department of Local Government, Sport and Recreation

Issue: Regulatory inefficiencies arising from local government area boundaries.

Response: In July 2007, the Local Government Reform Commission completed its review of local government area

boundaries in Queensland. Many of these boundaries had been in place for over 100 years and no longer aligned with shifts in population, changing community expectations, and developments in communications and

transport that have occurred since that time.

Following the findings from this review the number of councils in the State was reduced from 157 to 73.

Outcome: Expected benefits to business include: long-term sustainability of local government; fewer local authorities with

which to deal; reduced regulatory duplication and cross-border inconsistencies; consolidation of the regulatory

environment for business; and opportunities for better planning outcomes.

Reduced Duplication in Probity Audits of Gaming Licence Holders

Agency: Queensland Treasury

Issue: Duplication of probity activities by all Australian State and Territory Governments and the New Zealand

Government.

Response: Under the Gaming Machine Act 1991, the Office of Liquor, Gaming and Racing (OLGR) undertakes probity audits

of major gaming licence holders approximately every three years. Major licensed gaming participants are the subject of regular probity audits by Australian and overseas gaming regulators to ensure the ongoing suitability of themselves and their associates. These extensive probity requirements are duplicative and impose significant

costs for business.

This year, the OLGR managed and led the first inter-jurisdictional probity audit of a major gaming licence holder — Aristocrat Leisure Limited (ALL). As part of this program, Australian and New Zealand jurisdictions have agreed to refrain from conducting any further probity audits on jointly audited businesses for at least two years, unless an event of an adverse nature occurred.

Outcome:

Under this program, ALL recognised significant reduction in compliance burden requirements including significant cost savings in fees associated with probity audits; up to 80% reduction in time spent dealing with gaming regulators and completing different probity forms as one generic form has been adopted.

The streamlining of probity requirements and activities also deliver savings to Government, including improved efficiencies in regulation; cost savings through resource sharing; capacity building and knowledge sharing across jurisdictions; improved communication between participating jurisdictions; and greater consistency in the approach adopted across all jurisdictions.

Social Initiatives

Simplified Access to Social Housing

Agency: Department of Housing

Issue: Improving access to social housing

In August 2007, as part of a new, simplified and integrated system for providing social housing assistance in Response:

Queensland, the Department of Housing, community organisations, and the Brisbane Housing Company merged

their separate wait lists into a combined wait list for social housing.

For applicants, this means access to social housing assistance is now also simpler as they need only apply once through a single application process to be listed on the combined wait list. Clients no longer need to apply to multiple providers, saving duplication and red tape, and are now assessed in a consistent manner by the Department of Housing.

Other direct benefits from this move include the reduced administrative cost and greater organisational efficiencies for community housing organisations that no longer need to maintain their own wait lists. This in turn allows them to focus on the business of delivering housing assistance to eligible applicants.

For Government, operating a single wait list for social housing reduces administrative inefficiencies in the social housing system enabling greater focus on the delivery of client services to eligible applicants.

Outcome:

Simpler access to social housing assistance and administrative savings to community housing organisations and Government.

Improvements to Funding Management of Community Service Providers

Agency: **Department of Communities**

Complexities associated with the regulatory framework for funding management of community service providers. Issue:

Throughout 2007-08, the Department of Communities implemented a number of initiatives to improve the Response: funding management process of community service providers. These initiatives are aimed at simplifying the

current arrangements between community service providers and the Queensland Government, making it easier

for them to meet their client service delivery objectives.

New Community Services Legislation

The Community Services Act 2007 (Act) establishes a clearer and more up-to-date legal foundation for the Queensland Government to support the work of community service providers. It is designed to provide greater transparency and certainty about how the Department gives funding and other assistance to service providers; clarify processes for ensuring high-quality, safe and accountable service delivery; and ensure services contribute to building sustainable communities.

The Act has simplified funding processes for community service providers. It provides a clear process for determining which service providers are eligible for assistance from the Department and enabling them to become 'approved service providers'. Under this process, service providers only need to submit their credentials once to the Department, rather than re-submitting similar information with each application for funding.

Service Agreement Review

The Department also conducted a review of the service agreements used to secure funding to community service providers. The aims of the review were to simplify the agreement and ensure it complies with, and reflects, the new Act and the supporting community services regulation

As a result of this review, the number of service agreement types was reduced from five to three. Consideration of funding level and risk determine the service agreement to be used and the level and frequency of reporting required under the terms of the agreement.

The new service agreements reduce administrative requirements in a number of ways, including:

- increasing the asset threshold from \$1,000 to \$5,000;
- improving financial acquittal processes;
- simplifying financial reporting obligations, for example, services that receive under \$100,000 in funding and are low risk can reporting annually rather than quarterly, and the number of budget line items in the service plan have been reduced (including salary and operational cost items); and
- enabling the use of electronic signatures.

The new service agreements are being implemented progressively as previous agreements expire and new funding is rolled out.

Queensland Compact: Towards a Fairer Queensland

The Minister for Communities signed the 'Queensland Compact: Towards a fairer Queensland' on behalf of the Queensland Government in November 2007. The Compact commits Government to actively reduce administrative duplication, compliance costs and unnecessarily prescriptive funding arrangements. Priority actions established by a joint Government-Sector Compact Governance Committee for 2008-10 will deliver efficiencies in areas such as financial reporting, criminal history and suitability checks, quality standards and output measurement across human service agencies and the non-profit community services sector.

Other initiatives

The Department is also developing an Online Acquittal Support Information System which will enable services to lodge financial and performance reports online. The Department is also revising performance measures in service agreements to make it easier for service providers to meet accountability requirements. These initiatives will also help to reduce the administrative burden on community service providers.

Outcome:

These initiatives have seen a reduction in the administrative duplication by community service providers applying for funding, complexities in the funding framework and administrative burden of manual reporting by:

- clarifying the nature of the funding relationship between service providers and the department;
- establishing appropriate accountability requirements based on the level of funds received and risk;
- reducing financial reporting requirements; and
- reducing administration in applying for grants funding.

Redevelopment of the Queensland Government Internet Site

Agency: Smart Service Queensland

Improving consultation opportunities for business and community on government policy and

decision-making.

Response:

The Queensland Government Internet Site (www.qld.gov.au) is the central reference point for business and the community to find out about the activities of the Queensland Government. The website brings together content from all Queensland Government agencies with links to information, services and opportunities to engage with the Government on key initiatives.

This site redevelopment incorporated the addition of a 'Comment On' section dedicated to displaying current opportunities for consultation on matters of government policy.

The redevelopment also included the implementation of a new whole-of-Government search engine, enabling agencies to have greater control over the delivery of their web content through this means of access for visitors looking for particular content. Effectiveness of the website is measured on task-based assessment of a visitor's ability to find a given consultation. In 2008, research found that 83% completed the task on the first attempt, and 100% on the second attempt, demonstrating the effectiveness of the design that enables users to find consultation opportunities with the minimum of effort.

Outcome:

A more consolidated and streamlined approach and access point for business and the community to participate in Queensland Government consultation.

Environmental and Resource Initiatives

Improved Heritage Site Management Practices

Agency: Environmental Protection Agency

Issue: Heritage site management.

Response: Following the review of the Queensland Heritage Act 1992, the Queensland Heritage and Other Legislation

Amendment Act 2007 (QHOLA) implements a more strategic and streamlined approach to managing heritage,

including:

• developing a Queensland heritage strategy;

• reintroducing a heritage grants program; and

• developing management principles for State-owned heritage places.

The amendments were also designed to improve the transparency, accessibility and operation of the legislation and accommodate the planned growth of Queensland, and included the requirement for local government to maintain local heritage registers to provide the community with certainty that its cultural heritage will be recognised and protected locally, thus reducing the risk of its heritage being destroyed.

Outcome: In addition to strengthening the regulatory framework for heritage management in Queensland, these reforms

benefit business by providing greater certainty about development of heritage places and reducing red tape, and benefit the community by delivering improved clarity as to management and preservation responsibilities of

heritage sites.

Appendix 2 - Regulatory Review Activities

Economic Reviews

Property Agents and Motor Dealers

The former Service Delivery and Performance Commission conducted a review of the *Property Agents and Motor Dealers Act 2000* (PAMDA). The review sought to identify the major regulatory features of PAMDA and to recommend legislative amendments to simplify the level of regulation while maintaining effective consumer benefits.

The Government response to the review will be tabled in Parliament by the Premier. The Department of Justice and Attorney-General will implement the Government supported recommendations at appropriate opportunities, and where possible, in alignment with the implementation of the national licensing scheme for property agents.

Competition Reform

In May 2008, Queensland Treasury amended the *Queensland Competition Authority Act 1997* in line with the national Competition and Infrastructure Reform Agreement (CIRA), as agreed by all States, Territories and the Commonwealth. Queensland was one of the first states to have delivered on this agreement.

The amendments made the Act more response to the changing investment climate in Queensland. Highlights included:

- a new 'light handed' price monitoring option for the Queensland Competition Authority (QCA) to oversee prices set by monopoly business activities and indicate where there could be problems, without having to do a detailed investigation;
- implementation of nationally consistent objectives and pricing principles of the third party access regime;
- introduction of a six month time limit on regulatory decisions made by the QCA under the third party access regime; and
- the capacity for the QCA to develop binding rulings on certain regulatory issues without needing a more formal regulatory process.

The amendments provide increase regulatory certainty, consistency and faster decision making to benefit the owners and customers of QCA regulated businesses.

Port Competition and Regulation

In February 2006, COAG committed to all jurisdictions undertaking a review of regulation of ports and port authority handling and storage facility operations at significant ports to ensure they are consistent with agreed Competition and Infrastructure Reform Agreement (CIRA) principles. Queensland Transport completed this review in December 2007.

The broad objectives of this review were to ensure that:

- significant ports in Queensland are managed efficiently and, where appropriate, allow for competition in the provision of port and related infrastructure facility services;
- significant ports in Queensland maximise the opportunity for competition in up-stream and downstream markets, and do not misuse market power; and
- economic regulation is only introduced if there is a clear need, and only if these objectives cannot be achieved without regulation.

Generally, the review found that current regulations conform to the CIRA principles promoting competition, and hence no material changes to the legislative framework were identified as being necessary to satisfy the CIRA requirements.

Appendix 2 - Regulatory Review Activities - continued

Law and Justice Reviews

Police Service Administration and Weapons

The Queensland Police Service is reviewing the *Police Service Administration Act 1990* and associated regulations to ensure the recommendations arising from the Fitzgerald report continue to provide flexibility in the command structure and improve managerial standards within the organisation. This will be achieved through better selection processes, and enhanced education, training systems, promotion, discipline and management procedures. This review is expected to be completed in the 2009-10 year.

Weapons Act

The Queensland Police Service are also reviewing the *Weapons Act 1990* and associated regulations to consolidate and amend provisions for the regulation or prohibition of weapons and articles. This review is expected to be completed in the 2009-10 year.

Gambling Community Benefit Fund

The Queensland Treasury is currently reviewing the Gambling Community Benefit Fund to enhance the governance, efficiency, accountability and transparency of the Fund. The review aims to identify opportunities to streamline the administrative operations of the Fund and ensure its eligibility criteria and application processes remains clear and user-friendly. Findings from this review may benefit the similar casino community benefits fund. The review is expected to be completed in the first half of 2009.

Local Government, Sport and Recreation

The Department of Local Government, Sport and Recreation is conducting two separate regulatory review processes. The first aims to maintain an up-to-date statute book by repealing redundant legislation and reforming regulatory frameworks where appropriate. The legislation which forms part of this review process includes the repeal of the *Sporting Bodies Property Holding Act 1975* and the *Australian Estates Company Limited, Hastings Street, New Farm, Viaduct Authorization Act 1962*. The *Local Government (Aboriginal Lands) Act 1978* is also being comprehensively reviewed in line with contemporary drafting standards.

The second review comprises a comprehensive review of the *Local Government Act 1993* and its subordinate legislation. The new Act is intended to be principles-based and significantly streamlined from the existing Act which is highly convoluted and prescriptive.

Both review processes will be finalised during the 2008-09 period and beyond.

Freedom of Information and Privacy

On 10 June 2008, the Freedom of Information (FOI) Independent Review Panel released the report, 'The Right to Information: Reviewing Queensland's *Freedom on Information Act 1992*'.

This Report made recommendations for a new legislative framework for access to information; namely:

- a Right to Information Act, with a clearly stated objective of providing a right of access to information held by the government unless, on balance, it is contrary to the public interest to provide that information; and
- privacy legislation to provide for access and amendment rights for personal information and to codify the current Information Privacy Principles.

In response to these recommendations, the Department of Premier and Cabinet and the Department of Justice and Attorney-General are developing a new Right to Information Bill and a new Information Privacy Bill for introduction in 2009.

Appendix 2 - Regulatory Review Activities - continued

Social Reviews

Child Care

The Office for Early Childhood Education and Care will review the *Child Care Act 2002* focusing on aligning with proposed new national quality standards and a streamlined regulatory approach and also provide a strong legislative basis for Queensland early years reforms.

The review will also be informed by outstanding recommendations from the Review of Qualification Requirements. A public commitment was also made to review the confidentiality provisions to enable information to be shared about child care breaches and current stand alone care provisions. These will be considered in the context of new national quality standards.

Initial scoping of the review will be undertaken in early 2009. The review is likely to be announced mid-2009 with the release of a Queensland Early Years Strategy. The completion date will be reliant on the national legislative reform process.

Health Quality and Complaints

In July 2007, the Health Quality and Complaints Commission (HQCC) released seven Standards to assist health service providers to satisfy their statutory responsibility to improve the quality of their health services.

In 2007-08, the HQCC conducted an interim review of the Standards and will complete a full review by 30 June 2010. This review will consider the effectiveness of the Standards in achieving their objectives to improve the quality of health services, and assess the level of compliance by health care service providers.

As part of further reform, the HQCC will implement a 'responsive regulatory' approach to compliance by health service providers with their statutory responsibilities. Responsive regulation uses meta-regulation or 'enforced self regulation' to focus providers on self monitoring and devolution. The HQCC intends to apply this approach to quality monitoring across the range of functions it undertakes, including both standards compliance monitoring and complaint services.

Environmental and Resource Reviews

Mining

The Department of Mines and Energy has reviewed the *Mineral Resources Act 1989* and the *Fossicking Act 1994* to enhance the Department's stewardship of the State's resources, streamline administrative processes and ensure that the regulatory environment for exploration, mining and fossicking in Queensland complies with best practice.

Vegetation Management

The Department of Natural Resources and Water have reviewed the current vegetation management framework and identified opportunities to streamline its administration and operation.

Proposed amendments to the legislative framework will ensure ongoing efficient, client focused vegetation management services, and deliver on Government commitments under the Blueprint for the Bush to improve the administration of the vegetation management framework.

The legislative amendments include improving processes and responsibilities across agencies for regional ecosystem mapping, reducing the number of concurrence agency applications triggered for assessment and making minor clarifying amendments. The amendments are expected to be finalised by late 2009.

Appendix 2 - Regulatory Review Activities - continued

Biosecurity

The Department of Primary Industries and Fisheries is reviewing the legislation that underpins Queensland's biosecurity system. The legislation currently consists of 10 Acts, 10 Regulations, eight Notices and one Declaration. Each piece of legislation has evolved over time independently of each other and in response to changing biosecurity circumstances. Inconsistency and inadequacies across the Acts present difficulties for stakeholders in complying with their legislative responsibilities, and administrative burdens for Government.

The review seeks to eliminate these inconsistencies by consolidating the various Acts into a single Act to provide a modern cohesive legislative framework that will support an effective biosecurity system for Queensland.

The proposed objectives of the Biosecurity Bill are to:

- respond to biosecurity events in a timely manner;
- implement cost effective preparedness, prevention, surveillance, response and ongoing management techniques to reduce biosecurity risks and their impacts;
- ensure the safety and quality of agricultural (plant and animal) commodities, stock foods and fertilizers; and
- align Queensland's response to biosecurity risks with national and international obligations.

An Exposure draft of the new Bill is expected by the end of 2009.

Indigenous Cultural Heritage

In 2008, the Department of Natural Resources and Water commenced a review of the *Aboriginal Cultural Heritage Act 2003* and the *Torres Strait Islander Cultural Heritage Act 2003*. Both Acts state that a review must be completed within five years of their commencement. The review focuses on their efficiency and effectiveness in meeting the legislative and policy intent, and will address the legislation's implementation, operation and performance. The review is expected to be completed by April 2009.