

ECONOMIC DEVELOPMENT AUSTRALIA

*EDA response to the South Australia
Productivity Commission's review of
South Australia's regulatory framework.*



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SUBMISSION

On behalf of Economic Development Australia's (EDA) SA State Practitioner Network (SPN), I am pleased to provide a submission in response to the Inquiry into reform of South Australia's Regulatory Framework. EDA is the national peak body for economic development professionals. With over 1300 members across Australia, South Australia represents one of EDA's largest and most active state cohorts with approximately 200 members.

EDA congratulates South Australian Productivity Commission's (Commission) efforts to improve South Australia's (SA) regulatory framework in order to support investment, reverse negative productivity trends and foster economic growth while protecting public interests.

This submission has been prepared through consultation with the SA SPN Committee members. As approx. 75% of EDA's membership consists of local government professionals, it is unsurprising that this submission mirrors a number of recommendations made by the Local Government Association of SA (LGASA) in its submission to the Commission's issues paper in May 2021.

The economic shutdowns related to COVID-19 illustrated the South Australian Local Government sector's ability to respond in a nimble way to the changing needs of local business. The State Government has at times held the influence which enabled councils to respond in a flexible manner. EDA strongly encourages the State Government to embed this flexibility in policy and facilitate the development of responsive, business-oriented cultures within the SA local government sector.

MEASUREMENT & EVALUATION

EDA notes the Commission's proposal for the SA Government to establish a state-wide framework for measurement, monitoring and performance assessment in order to increase transparency and accountability and drive improvements in regulator performance. EDA is supportive of such an approach.

As a peak body, EDA developed the Evaluation and Measurement Toolkit for Economic Development Professionals to help the sector illustrate the value and impact of their work. The Evaluation and Measurement Toolkit for Economic Development Professionals is based on the model developed by the Government of British Columbia (Canada). The EDA Evaluation and Measurement Toolkit supports a systematic approach to help economic development professionals demonstrate the value of economic development activities. It helps monitor progress toward a goal and provides a means to demonstrate its value to stakeholders.

<https://www.youtube.com/watch?v=wYNYMQcugSI>

There is no doubt that big data and artificial intelligence will play a role in supporting regulators to better understand and evaluate the impacts of regulation. There is already a vast amount of data that is generated and collated by different organisations, like Councils and NGOs, and the state government would benefit from providing a platform to share and analyse this data. Examples of this exist already in the private sector (See <https://www.datarepublic.com/au>).



COVID-19 LESSONS

The Commission is seeking what lessons can be learned from the experience of regulation design, creation and implementation during the COVID-19 pandemic.

EDA confirms the evidence outlined in the submission by LGASA which illustrate the responsiveness of the local government sector to the COVID-19 recession and the efforts made to facilitate business operations and survival amidst the economic uncertainty. Measures include but are not limited to:

- Provision of financial relief, including waived, reduced or deferred payments, including for council business rates, various fees relating to business operations (e.g., food health inspections and outdoor dining), as well as lease payments.
- Establishment of business concierge / support hotlines and shifted their business training supports to online formats, focussed on COVID-relevant topics (such as establishing effective online presences), and offered these services free-of-charge.
- Establishment of “Buy Local” campaigns.
- Business grants for capital works, ecommerce improvements or training/professional development.
- Concise and clear communication of changing COVID-19 regulations affecting business operations.
- Support for local music industry.
- Food support program for vulnerable residents and local food and beverage hospitality businesses.
- Placemaking infrastructure projects, including public art.
- Increased weighting for local content in council procurement.

There are many examples within SA of councils waiving permit fees for the hospitality sector, expanding access to shared footpaths or parklets, in order to assist venues to meet new social distancing requirements.

Many Councils also worked with the state government to facilitate the movement of heavy vehicles during night-time periods, when their movements are usually restricted, in order to facilitate the supply of food and groceries to supermarkets, which had been granted extended trading hours to facilitate in-store social distancing.

There are also lessons in the way Councils responded to some of the initial challenges presented by the pandemic. A number of Councils put in place cross-functional teams with people from different areas of the organisation and from different levels (from executive levels to clerks) to find solutions and respond quickly to the problems that the community was facing. These cross-functional teams were able to fast-track initiatives avoiding common roadblocks and improving communication across Council. These types of initiatives could be replicated by state government departments, not only when economic shocks occur but as a regular practice to provide a more nimble and coordinated approach across government.

BUSINESS REGULATION CONCIERGE SERVICE

EDA's SA SPN Committee concur that the burden of business regulatory compliance would be reduced by a business concierge service to streamline the regulatory process.

Many Councils have been offering a complimentary business concierge system for many years. A dedicated council staff member walks business through the whole regulatory processes. This includes connecting them with various internal departments and external Government agencies, assisting with public consultation, land use approvals, development approvals, liquor licensing applications, etc.

EDA has been advised by its members of the need for better integration of government services and departments. An impediment cited by the local government sector is the occurrence of conflicting agendas and advice by state government departments in relation to a project. An example provided includes a street scape improvement project where a vast number of agencies need to be engaged (e.g. traffic changes on state roads). The strategic policy objectives of one department may be to maintain traffic flow, whereas another department(s) priority is concerned with walkability, community health and lifestyle. The proponent is often locked between these competing priorities of two departments within the same government.

Appointing holistic case managers to navigate proponents (including local government representatives) through the state government regulatory landscape would deliver better integration, savings and economic outcomes.

As per the LGASA paper, EDA agrees there would be value in a centralised database of business regulations and a state-wide system of concierge service established by the Government to assist both small and start-up business operators, in addition to council staff. The streamlining of business regulatory processes will enable businesses to focus on their operations, business development and job creation, by reducing the amount of time spent completing compliance activities.

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APPENDIX

South Australia State Practitioner Network Members

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- Daniel Adams (Deputy Chair) - City of Prospect
- Kevin Lowe (Secretary)
- Neil McNish - REMPLAN
- Virginia Miller ACEcD - City of Holdfast Bay
- Brian Hales
- Rebecca Perkin - City of West Torrens
- Anne Moroney ACEcD - RDA Barossa
- Lisa O'Donoghue - Alexandrina Council