



# COAG talks widen reform agenda

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In a widening of its reform agenda, the Council of Australian Governments working group on regulatory reform began discussing ways to unify payroll tax regulations and consumer protection laws, in addition to its existing work on 10 regulatory "hot spots" that have languished since early last year.

Small Business and Assistant Deregulation Minister Craig Emerson said the talks on payroll tax were not aimed at setting nationwide rates and thresholds but would unify definitions to avoid unnecessary differences between state regimes.

Dr Emerson said last night the third meeting of the regulatory working group concluded there was no need for Canberra to interfere with some state changes that were

already cutting red tape.

"The states indicated they don't want to see a Canberra-knows-best, one-size-fits-all approach," he said.

"We don't want to stifle innovation and new ways of reducing regulation."

In the broader reform agenda, premiers are close to striking a deal with Prime Minister Kevin Rudd on major regulatory reform following a series of meetings yesterday that cleared the way for agreements at a COAG meeting due at the end of the month.

Rudd government ministers negotiated the reforms with their state counterparts in order to establish implementation plans for the changes in the event they are approved when the COAG meets within weeks.

COAG working groups on infrastructure and climate change also met yesterday to set the agenda for the meeting of the Prime Minister and premiers.

The meeting is tipped for between Easter and Mr Rudd's visit to the US at the end of the month.

The talks came as a new report blamed the federal and state governments for imposing restrictive regulations that trimmed national economic output by about 1 per cent of gross domestic product – or about \$10 billion.

Australia ranked last of the world's 30 richest nations in the Organisation for Economic Co-operation and Development on a table evaluating the unnecessary overlap between state and federal regulations.

## KEY POINTS

- Payroll tax discussions are aimed at unifying definitions.
- Some states are already cutting red tape and don't want to see a Canberra-knows-best approach.
- Red tape is costing \$10 billion.