

Saying 'Yes' to Business



Approvals Fast-Track Taskforce

May 2025

What we were asked to do

The Approvals Fast-Track Taskforce (the Taskforce) was established in November 2024 to provide expert advice on easing the burden of red tape on business and industry and cutting timeframes for approvals processes.

The Taskforce was asked to provide recommendations on how the NT Government can meet its commitment to cut timeframes for regulatory approval by 50% and introduce legislation to remove unnecessary and burdensome regulations.

The Taskforce had six months to report back to Government

The Taskforce members were:

- Mark Garraway (Chair), former Property Council of Australia NT President.
- Rebecca Bullen, Owner of Stone House, Charlie's of Darwin, and Darwin Distilling Co.
- Michael Buckley, Director of M+J Builders.
- Andrew Dalglish, Owner of Foxalicious Fruit.
- Stuart Kenny, Managing Director of Territory Instruments.
- Hermanus Louw, Director of Louw Group.
- Dan Richards, CEO of Humpty Doo Barramundi
- Tony Smith, Director of NT Link (until February 2025).

Our focus



Regulatory policy

Ensuring requirements imposed on business by government frameworks are fit-for-purpose.



Regulatory practice

Ensuring effective systems, processes, guidelines, capability and culture are in place to apply regulation in an appropriate way.

Who we engaged with to identify issues and reforms



Territory business

Local businesses across a broad range of sectors, including construction and hospitality.



Peak industry bodies

National and Territory peak bodies representing businesses across a broad range of sectors.



Government

Department chief executives, department staff and regulatory bodies.

We focused largely on small businesses

In the Northern Territory economy, sole traders, micro-enterprises (1-4 employees) and small businesses (5-19 employees) – collectively termed “small businesses” in this report – make up 96% of all registered businesses.¹

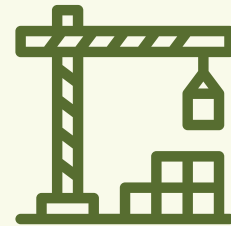
The Taskforce has largely focused on the regulatory barriers faced by small businesses to find ways to improve regulatory approval processes for the greatest number of businesses across a range of sectors. Improving the way governments regulate lower-risk and smaller-scale activities will also free up resources and simplify approvals for all businesses in the economy.

Small businesses face issues that are unique to them. The costs of regulation have a greater impact on small businesses compared to larger businesses, due to:

- **Compliance costs burdens** – Small businesses face higher compliance costs than larger businesses as an overall percentage of their gross revenue.
- **Human resources and time** – Small businesses are limited in resources, time and personnel. They undertake the regulatory and compliance processes themselves due to those limitations
- **Skills and experience** – Some small businesses are run by people who are new to operating a business and engaging with regulatory approval processes.
- **Commercial feasibility** – A regulatory system that is not fit-for-purpose can stop small businesses from both starting and growing.
- **Staff attraction and retention** – The Territory struggles to attract the skills needed due to the current low rate of population growth. Small businesses face the challenge of competing for talent in a very tight labour market.

Reforms support small business across key sectors

The Taskforce has focused on reforms that will reduce red tape for around 9500 small businesses across key sectors.



Building and Construction

342 housing construction businesses (of which 94% are small businesses)



Hospitality

243 cafes and restaurants (of which 82% are small businesses)



Agriculture and Aquaculture

245 horticulture businesses, including fruit, vegetable and nursery production (of which 96% are small businesses).

¹ Australian Bureau of Statistics, 8165.0 Counts of Australian Businesses, including Entries and Exits (June 2024).

Further detail in Supplementary Report

What we heard

The Taskforce engaged widely with business and industry to hear about regulatory processes that have impeded their ability to get on with business. Delays in approvals can impact a business' ability to grow and support other local businesses and employ Territorians. Ultimately it leads to low business confidence and investment certainty. Consumers also suffer as lower business productivity leads to higher prices.

To highlight these real-world impacts, the Taskforce has highlighted the experience of local businesses that have recently gone through an approvals process to develop case studies that unpack the issues they faced.

Through this process, the Taskforce received many reform ideas focused on improving regulatory policy and regulatory practice.

CASE STUDY Special events approvals

A Darwin-based hospitality business owner wanted to hold a laneway event for up to 1500 people, to reinvigorate the city as a hospitality destination.

The business owner faced high costs associated with parts of the application process, including a traffic management plan costing around \$2500, which is a significant barrier for holding a small event.

There was a lack of clarity in the special events application process, including frameworks or guidelines to facilitate the event. Outdated systems and processes, including systems that could not save applications mid-process, and outdated requirements for print media advertising, further added to the challenge.

The NT has the second highest proportion of public sector employment compared to total employment, behind only the Australian Capital Territory. Public sector employment has grown faster than Gross Territory Product (GTP) growth over the past five years.² Despite this, we do not experience more effective and timely approvals processes.

Key themes of regulatory barriers and challenges for businesses include:

- **Communication issues** – Communication with government is frequently difficult, with inconsistent information, 'drip-feeding' of advice and unclear expectations.
- **Overly complex processes** – Regulatory processes are too complex and challenging, often requiring professional consultants to navigate. Adding to this issue is the lack of clarity and guidance from departments on how to navigate these processes.
- **Uncertain and lengthy timeframes** – Timeframes are highly variable, lengthy and unpredictable, causing project delays and real-world financial impacts.
- **Over regulation of low-risk projects** – Low-risk projects or developments are regulated at the same level as those with higher risk profiles, resulting in over regulation without any clear community benefit.
- **The risk-averse culture of government departments** – Government officials seem to have few incentives to manage risks and work with businesses to overcome regulatory hurdles. The public sector needs to start saying 'yes' and enabling projects and developments which will grow the economy.
- **Outdated systems and processes** – Many government systems and processes, particularly those that business and industry interface with, are outdated and not user-friendly. This can add time and delays to the application process.

² Darwin Major Business Group, Over the Horizon Opportunities Report (March 2025)

CASE STUDY Land clearing approvals

A longstanding NT fruit farming operator sought approval to clear around 60 per cent of newly acquired land in a property next to their established farm.

The business faced several **issues in communicating with the department**, and felt the **process was complex and disproportionate** to the activity for which they were seeking approval.

The timeframes seemed **unreasonably lengthy and unpredictable** - with the first application taking over nine months to resolve. Part of this delay included an appeal by the DCA, which added a 3-4-month delay to the application. The approvals processes have now been completed and the agency is looking at how the process could be simplified, given the issues identified.

The Taskforce notes there is additional reform that could be undertaken and encourages government to ask agencies to continue to look at additional improvements that could be made.

How industry view the regulatory landscape

The Northern Territory Chamber of Commerce undertook industry engagement around the regulatory burden and administrative challenges faced by businesses.

Industry engagement with members took place over three weeks and included a member survey, a focus group, one-on-one meetings and engagement with Industry Councils. Overall, the Chamber engaged over 40 Territory businesses.

Industry engagement key findings



95% of respondents said they had experienced significant delays in obtaining approvals.



88% of respondents felt that regulatory requirements were not clear or easy to understand.

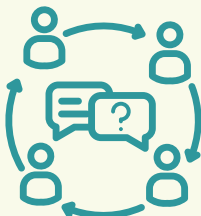


69% believe there are duplicative and unnecessary steps in the approval process.

69% of respondents said they had experienced issues with regulation creep.



100% of respondents said they would support more risk-based approvals.



44% of respondents rated government agencies communication and responsiveness 'poor'.

Red tape is causing delays and challenges across the approvals landscape.

Industry engagement found three areas where regulatory burden is causing businesses the most stress for local businesses. These are spread across different parts of the regulatory system, highlighting that challenges are present across the whole approvals landscape.



Work Health & Safety

78%



Transport & Infrastructure Approvals

77%



Environmental & Cultural Approvals

75%



88% of respondents felt that regulatory requirements aren't clear or easy to understand.

Respondents reported that they often face contradictory and inconsistent rules across the regions, and lengthy approval times. Respondents report that regulatory bodies give conflicting advice to business.



A majority of respondents felt Government agencies could improve communication.

44% of respondents rated the communication and responsiveness of agencies during approval processes as poor. A further 39% rated agencies average, highlighting the need for a shift in regulatory culture across the public sector.

Our Key Findings and Recommendations

The Taskforce identified two overarching themes to address the barriers and challenges faced by business:

- applying a risk-based approach to regulation rather than a one-size fits all approach; and
- fostering a regulatory culture that promotes business activity and certainty.

These two themes provide a clear framework for reducing approval timeframes by addressing the formal system of legislation, regulation and policy, and the way in which it is applied by regulators.

TASKFORCE'S FRAMEWORK TO REDUCE APPROVAL TIMEFRAMES	
1. Applying a risk-based approach to regulation	2. Fostering a regulatory culture that promotes business activity and certainty
A risk-based approach ensures that compliance is fit-for-purpose, and that risks to the community are managed in an efficient and effective manner.	A risk-based approach alone will not drive change. Improving culture across the public sector is a critical enabler for reducing approval times.
To achieve this, priority focuses are:	To achieve this, priority focuses are:
<ul style="list-style-type: none"> - Reducing compliance requirements - Reducing touchpoints with regulatory processes - Enabling delegation and discretion 	<ul style="list-style-type: none"> - Increasing regulatory certainty - Driving system improvements - Delivering effective regulatory stewardship
These two ideas create a framework to reduce approval timeframes by addressing both red tape (legislation, regulation) and beige tape (culture, process).	

Given the nature of this rapid review, the Taskforce focused on identifying areas of reform that would benefit the greatest number of businesses.

Through industry consultation the Taskforce heard about many regulatory issues faced by businesses in the Territory. This report provides an initial set of reforms that the Taskforce was able to consider in the 6-month timeframe. It provides a mix of immediate, medium-term and systemic reforms for Government to implement.

Priority	Time frame
Immediate priorities	Implement over the next 12 months
Medium term	Implement over the next three years
Systematic change	Longer-term whole-of-government reforms are required

Applying a risk-based approach to regulation

Reducing compliance requirements

The first step in applying a risk-based regulatory approach is to remove compliance requirements for low-risk activities that would raise minimal community concerns due to the nature or scale of risk posed. This will have the greatest impact in reducing the complexity and cost of regulatory approvals for businesses. It will ensure that regulation is fit for purpose and speed up regulatory approvals by not adding unnecessary costs on businesses.

Recommendations

Immediate priorities (within 12 months)

- 1 Adjust regulatory triggers so that low-risk construction projects are not captured by high compliance costs.
- 2 Simplify regulatory processes that apply to low-risk activities.
- 3 Remove unnecessary public notification and consultation for low-risk activities.

Medium term (within next three years)

- 4 Expand the application of risk-based regulatory policies.

Reducing touchpoints with regulatory processes

While regulation can help manage risks, the Taskforce found many examples of regulatory requirements that are too frequently renewed, duplicate processes that are already in place, or are otherwise unnecessary to manage risks. These interactions drain the time and resources of businesses and government and make it harder and more costly to do business in the Territory.

A risk-based regulatory policy should reduce compliance burden and unnecessary friction points for business.

Recommendations

Immediate priorities (within 12 months)

- 5 Extend licence renewal periods to reduce unnecessary touchpoints with government.
- 6 Exempt low-risk planning and subdivision activities from disproportionate regulatory processes.
- 7 Remove regulatory barriers that are forcing businesses to seek new or additional approvals rather than being able to vary their existing approval.

Enabling delegation and discretion

Effective use of tools like delegation and discretion can assist to speed up the approval process for low-risk decisions. Flexibility in decision-making can help remove compliance burdens that do not manage risks, and bottlenecks from issues being unnecessarily escalated.

Delegation involves legislation or decision-makers giving authority to another body/person to make decisions or grant approvals – this can be helpful to expand the number of people who can make a particular decision and spread decision-making across an organisation. This requires adequate resourcing and capability to be effective.

Discretion provides decision-makers with the flexibility to apply judgement in making decisions, which are focused on achieving outcomes, rather than making decisions based on a pre-determined set of compliance requirements prescribed by policy or legislation.

Recommendations

Immediate priorities (within 12 months)

- 8 Increase the use of delegation and discretion for low-risk decisions.

Medium term (within next three years)

- 9 Introduce delegation powers in legislation to enable decisions on approvals to be delegated by Ministers and/or CEOs, where appropriate, to public sector employees.

Fostering a regulatory culture that promotes business activity and certainty

Implementing a risk-based approach alone will not drive a reduction in approval times. Changing regulatory culture across the public sector is critical to reducing approval times.

Facilitative regulatory practice is about effective regulatory stewardship and oversight to increase certainty for businesses. Government agency employees should consider the benefits of regulation beyond just minimising risk but also as allowing business and economic activity.

The Taskforce has heard from stakeholders across industries that several layers of government are hesitant to approve low-risk activities, in part due to the culture of agencies. This section presents recommendations on how to transform regulatory culture to support business activity and reduce approval timeframes.

Increasing regulatory certainty

Regulatory certainty refers to businesses feeling secure about the approvals process, meaning that requirements are clear and well-understood and based on defined criteria and considerations. A business that can clearly demonstrate compliance with the intended outcomes of a regulation should have high levels of confidence that they will gain approval from the regulator to proceed with their proposed activity.

Implementing a clear decision-making framework increases industry confidence through clear understanding of processes and requirements to gain approvals.

Recommendations

Immediate priorities (within 12 months)

- 10 Increase confidence and certainty in regulatory approvals through improved guidance on requirements and decision-making frameworks.
- 11 Allow more flexibility in how regulations are applied, which focus on businesses complying with regulatory outcomes rather than specific activities.

Medium term (within next three years)

- 12 Amend regulations to require all agencies to publish flowcharts of their regulatory decision-making processes and introduce standardised reasons for decisions
- 13 Introduce an optional licence model for demolition service providers to increase certainty for providers and defence contractors.
- 14 Complete work to develop a strategic plan for the extraction of construction materials to increase efficiency.
- 15 Safeguard small businesses from the impacts of new regulatory changes over the next three years.

Systematic change (longer-term whole of government reform)

- 16 Strengthen accountability around approval timeframes.

Driving system improvements

The Taskforce has heard from stakeholders that too often approvals are being held up by outdated public sector systems. Systems can often be fragmented, not fit-for-purpose or lacking the digital sophistication to assist businesses and applicants.

Driving system improvements that simplify business interactions with government systems will reduce burden on business and support local small businesses.

Recommendations

Immediate priorities (within 12 months)

Systematic change (longer-term whole of government reform)

- 17 Ramp up implementation and use of digital systems across government to streamline interactions for businesses.

Delivering effective regulatory stewardship

The public sector plays a pivotal role in stewardship and oversight of regulatory processes. It is the public sector who have visibility of how the regulatory system is working. Effective stewardship includes monitoring, reviewing and reforming processes to facilitate proactive regulatory processes.

It is critical that the public sector takes an active role in delivering effective regulatory stewardship through ongoing engagement with industry to test that regulations are fit for purpose and to gain insight into the cumulative impacts of regulatory burden.

Recommendations

Immediate priorities (within 12 months)

- 18 Finalise implementation of the remaining recommendations from the Bringing Land to Market report within 12 months.
- 19 Ensure decision-making bodies are fit for purpose, by amending legislation for board appointments to require, where practicable, representation of members with practical NT-based industry experience and technical expertise.
- 20 Establish Water Management Advisory Bodies to provide advice to the Water Controller.

Medium term (within next three years)

- 21 Conduct a major review of the *Local Government Act 2019* to identify further reform opportunities to reduce timeframes for local government approvals.

Systematic change (longer-term whole of government reform)

- 22 Create a whole-of-government facilitative approach to approvals by strengthening accountability mechanisms around regulatory approvals, and improving the capacity and capability of regulatory officers.

The Supplementary Report contains more detail on each reform including examples the Taskforce has identified for each reform.

