



NEWS RELEASE

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RED TAPE DELUGE TO BE EASED

North Hampshire Enterprise, the Chamber of Commerce for North Hampshire, says there are positive signs from Government on reducing the burden of red tape on business. Vince Cable, the Business Secretary, is to review the introduction of 200 regulations that have yet to come in force and will cost £19bn to implement.

Commenting on the first phase of the new government's "action plan to bring an end to the excessive regulation that is stifling business growth", Gill Edinburgh, Deputy Chief Executive of North Hampshire Enterprise said:

"British Chambers of Commerce research shows that new employment regulations over the next four years will increase business costs by over £11 billion – so the announcement of an immediate review of all red tape in the pipeline is very welcome.

"The cumulative cost of regulations introduced since 1998 has cost North Hampshire business £1 billion. At a time when we need business to drive recovery and create jobs, the cost of employing people clearly needs to be reduced. Employers consistently tell us that they will get on with creating jobs and wealth, but they need government to get off their backs and let them do it.

"The initial signs from this government are very positive on reducing the burden of red tape and we will watch closely the outcome of this new initiative and its impact on business."

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Notes to Editors:

1. North Hampshire Enterprise is the chamber of commerce for **the Basingstoke and Deane, Hart, Rushmoor, Winchester and Test Valley areas**. Accredited by the British Chambers of Commerce it exists to help Hampshire businesses prosper and develop by providing expert business help and advice. As a membership organization it is owned by and accountable to the local business community. Visit www.northhampshireenterprise.co.uk
2. The Government's action plan –
 - a. Creates a new Cabinet "Star Chamber" that will lead the Government's drive to reduce regulation which is stifling growth, especially of small businesses. This Reducing Regulation Committee will be chaired by the Business Secretary and will enforce a new approach to new laws and regulations, ensuring that their costs are being properly addressed across the entire British economy.
 - b. Announces an immediate review of all regulation in the pipeline for implementation which has been inherited from the last Government. The cost of implementing this amounts to £5bn annually before April 2011 and £19.1bn per annum thereafter. This will be the first action for the new Cabinet committee.
 - c. Establishes a new "challenge group" to come up with innovative approaches to achieving social and environmental goals in a non-regulatory way. This team would work with experts including Richard Thaler, the US behavioural economist.
 - d. Introduces a new approach that will control and reduce the burden of regulation. A "one-in, one-out" approach designed to change the culture of government, would make sure that new regulatory burdens on business are only brought in when reductions can be made to existing regulation.
3. North Hampshire Enterprise is monitoring the new Government against the British Chambers of Commerce's 90 day plan for business growth which calls for a review of regulations affecting employers – and a moratorium on burdensome new employment laws before 2014. See the 90 day plan here - <http://www.britishchambers.org.uk/6798219243715799179/BCC%2090%20Day%20Plan.pdf>

See the BCC's employment burdens timeline here - http://www.britishchambers.org.uk/zones/policy/press-releases_1/25-6bn-employment-bill-risks-job-creation-and-recovery-argues-bcc.html