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**PROVINCIAL GOVERNMENT BUREAUCRACY & “RED TAPE” STUDY**

This is a preliminary proposal to get political approval to conduct or undertake the study.

**Introduction**

### Wikipedia defines “red tape” as follows:

### A [derisive](http://en.wikipedia.org/wiki/Derisive) term for excessive [regulation](http://en.wikipedia.org/wiki/Regulation) or rigid conformity to formal rules that is considered redundant or [bureaucratic](http://en.wikipedia.org/wiki/Bureaucracy) and hinders or prevents action or decision-making

 (<http://en.wikipedia.org/wiki/Red_tape>)

Answers.com defines it as follows:

The collection or sequence of forms and procedures required to gain bureaucratic approval for something, especially when oppressively complex and time-consuming.

 (<http://www.answers.com/topic/red-tape>)

Red tape per se is not solely a government phenomenon; however for the purpose of this study red tape will be studied from a provincial government point of view.

The KZN Provincial Treasury is concerned at the lack of understanding of red tape in provincial government and its impact on business and the wider provincial economy.

The Government of many countries, including South Africa, have over the years commented on the issue of red tape. The Government of New Zeeland for example launched a programme to cut or decrease red tape. The reason for the programme is because of they believe that by cutting red tape they can create a better and smarter economy.

Thus it is purposed that a study be conducted to conceptualize, understand and quantify red tape in the province.

**Specific objectives of the study**

The specific objectives of the study include the following:

* Identify the different types of “red tape” per provincial government department or institution
* Conceptualize each type of “red tape” i.e., description, purpose, causes of each
* Attempt to quantify the impact of each type of “red tape” on business and the provincial economy
* Attempt to determine the Financial and Economic Cost of each type of “red tape” on business and the provincial economy
* Attempt to develop alternatives for each type of “red tape”

**The target group(s)**

The target group(s) will be the following:

* The KZN Provincial Government Departments
* The different business chambers in the province
* KZN Businesses

**Study Methodology**

The study will be a primary study and will make use of a survey to collect the data and information. The primary objective of the survey is the collection of information on provincial government “red tape” in the province. The survey will take the form of a questionnaire

A survey is:

* A systematic method for gathering information from (a sample of) individuals for the purposes of describing the attributes of the larger population of which the individuals are members.
* The attributes attempt to describe basic characteristics or experiences of large and small populations in our world.

**Coverage of the Study**

The survey will cover all private business establishments operating within the province.

**Sample Design**

Businesses will be divided into non-overlapping groups, or strata. Strata 1 – business establishments that belong to a chamber of business and Strata 2 – business establishments that do not belong to a chamber of business.

Strata 1 will be surveyed via the different chambers. The questionnaire will be emailed to all the chambers of business in the province for them then to email to all their members, etc. The chambers will also be asked to actively market the study amongst their members. The questionnaire will thus have a very wide and representative distribution.

Strata 2 will be surveyed via other networks and word of mouth, i.e., on request. The study will be marketed via the different business organizations and networks and newspaper organizations in the province. Interested businesses will then request a copy of the questionnaire for completion. This allows for a much larger and diverse audience.

**Survey Contents**

The survey will focus on a number of key issues.

Key Issue number 1 - Respondent Description

Key Issue number 2 – Identification of Regulatory Requirements

Key Issue number 3 - Business Experience with Regulatory Requirements

Key Issue number 4 - Cost to Business in Complying

Key Issue number 5 - Changes in Financial Cost and Time Consumption of Compliance (Last 2 Years)

Key Issue number 6 - Impact of Red Tape on Expansion plans, Employment plans and Innovation

Key Issue number 7 - Government Communication on Regulatory Requirements

Key Issue number 8 - Strategies to Reduce the Cost of Compliance

**Survey Method**

The study will be a Cross-Sectional Survey.

**Timeline and Duration**

Once this proposal has been approved then a pro-forma questionnaire will be developed. The pro-forma questionnaire will be tested through a workshop with stakeholders. In parallel to this process an excel spreadsheet database will be developed.

Once the questionnaire has been tested and amended if needed a final proposal that includes the questionnaire will be put forward for approval.

The proposed timeline is as follows:

March – draft proposal and questionnaire

April – testing of questionnaire and database

May – conduct and market the survey

June – collating, testing the data and descriptive report

July – impact assessment study and final report

**Responsible Unit**

IGR Unit in the office of the HOD, Provincial Treasury

**Resource Implications**

At this stage there are no financial implications for the department. The study will be conducted using existing resources. No new or additional resources are needed.

**Approval**

As stated the purpose of the proposal is to seek political approval to conduct the study.

I look forward in your positive response or comments/suggestions

Yours truly

**Mr CLIVE COETZEE**

**GM: IGR PROVINCIAL TREASURY**

**29/03/2010**