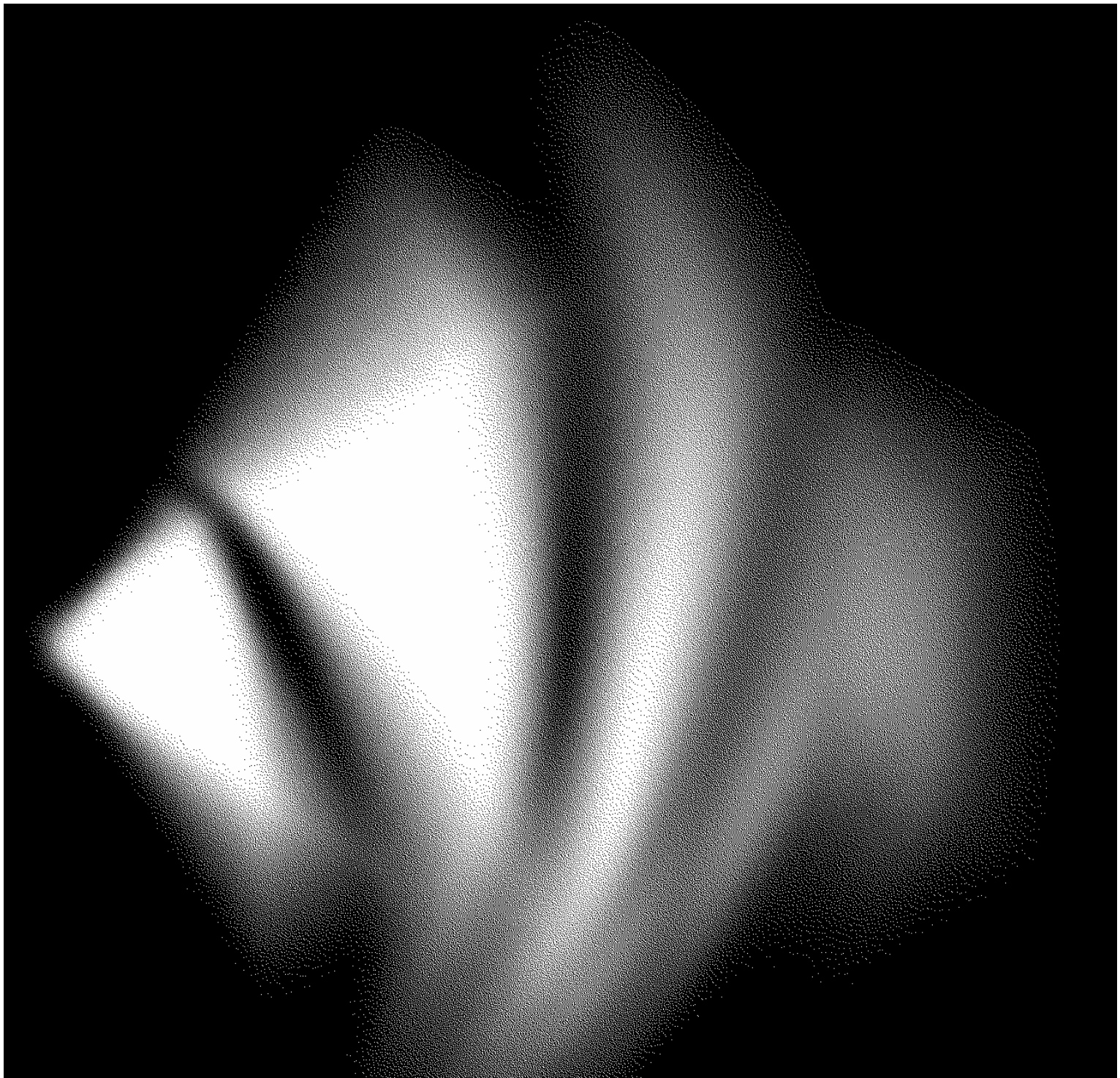




Australian Government
Office of Best Practice Regulation

Best Practice Regulation Report 2006-07

Productivity
Commission
Annual Report Series



COMMONWEALTH OF AUSTRALIA 2007

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The Productivity Commission

The Productivity Commission, an independent agency, is the Australian Government's principal review and advisory body on microeconomic policy and regulation. It conducts public inquiries and research into a broad range of economic and social issues affecting the welfare of Australians.

The Commission's independence is underpinned by an Act of Parliament. Its processes and outputs are open to public scrutiny and are driven by consideration for the wellbeing of the community as a whole.

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Foreword

In November 2006, as part of its response to the Regulation Taskforce's report *Rethinking Regulation*, the Commonwealth Government strengthened its regulation-making requirements for departments and agencies, including through enhanced regulatory impact analysis and consultation processes.

This is the first annual report under the new arrangements, prepared by the Office of Best Practice Regulation (OBPR) within the Productivity Commission. The OBPR was created to replace and extend the remit of the Office of Regulation Review. This report in turn replaces the previous annual publication *Regulation and its Review*. It forms part of the Commission's annual report series of publications for 2006-07.

It has been an eventful year. Implementation issues associated with bedding down the new arrangements are discussed here, including revisions to the *Best Practice Regulation Handbook*. This report also outlines the enhanced regulatory analysis requirements for the stock and flow of regulation, noting the main differences with previous arrangements. As 2006-07 was a transitional year, compliance with both the new and previous requirements are reported separately.

Since this report was completed, the incoming Labor Government announced that the Office of Best Practice Regulation would move to the new Finance and Deregulation Portfolio.

The Commission is grateful for the extensive cooperation it has received over the years from Commonwealth departments and agencies, ministerial councils and national standard-setting bodies.

Gary Banks
Chairman

November 2007

Contents

Foreword	III
Contents	V
Abbreviations	IX
Overview	XV
1 Major initiatives to improve regulation	1
1.1 Improving the quality of new regulation	1
1.2 Improving the stock of existing regulation	11
2 Implementation issues and challenges	17
2.1 Implementation challenges	21
2.2 Moving forward	29
3 Compliance with best practice requirements	33
3.1 Role of the Office of Best Practice Regulation	33
3.2 Compliance with the Government requirements	34
3.3 National regulation making	43
A Compliance by portfolio	47
B Compliance by regulatory proposal	61
C Compliance with COAG RIS requirements	71
D OBPR activities and performance	89
E States and Territories	99
F Regulation review and reform: international perspectives	121
References	131

BOXES

1.1	What is a Regulation Impact Statement?	5
2.1	The Best Practice Regulation Coordinators	18
2.2	The OBPR's bilateral discussions	19
2.3	Launch of the <i>Best Practice Regulation Handbook</i>	20
3.1	RIS adequacy criteria	35
D.1	Charter for the Office of Best Practice Regulation	90
D.2	Guidance material issued by the OBPR in 2006-07	93

FIGURES

1.1	The Government's regulatory impact analysis cycle	3
3.1	COAG RIS compliance at decision-making stage, 1 April 2006 to 31 March 2007	45
A.1	Compliance with RIS requirements at decision-making stage, 1 July 2006 to 19 November 2006	48
A.2	Compliance with new best practice requirements at decision-making stage, 20 November 2006 to 30 June 2007	49
C.1	COAG RIS compliance at decision-making stage 1 April 2006 to 31 March 2007	76

TABLES

3.1	RIS compliance, 2001-02 to 2006-07	37
3.2	Post-implementation reviews required, exceptional circumstances granted	38
3.3	Post-implementation review required, regulatory impact analysis requirements not met	39
3.4	Compliance for highly significant proposals, decision-making stage, 2006-07	39
3.5	Regulation impact statement compliance, by type of regulation, 1 July to 19 November 2006	42
3.6	Regulatory impact analysis compliance, by type of regulation, 20 November 2006 to 30 June 2007	43
3.7	Compliance with COAG RIS requirements 2004-05 to 2006-07	44
A.1	DoCITA : RIS compliance by type of regulation, 1 July 2006 – 19 November 2006	51

A.2	DEW: RIS compliance by type of regulation, 1 July 2006 – 19 November 2006	53
A.3	DFAT: RIS compliance by type of regulation, 1 July 2006 – 19 November 2006	54
A.4	Treasury: RIS compliance by type of regulation, 1 July 2006 – 19 November 2006	56
A.5	Treasury: compliance with enhanced requirements by type of regulation, 20 November 2006 – 30 June 2007	56
A.6	Treasury: Tax RIS compliance by type of regulation, 1 July 2006 – 30 June 2007	57
A.7	ASIC: RIS compliance by type of regulation, 1 July 2006 – 19 November 2006	59
B.1	Bills, regulation impact statement assessment by proposal	61
B.2	Bills, regulatory impact analysis assessment by proposal	64
B.3	Legislative instruments, regulation impact statement assessment by proposal	66
B.4	Legislative Instruments, regulatory impact analysis assessment by proposal	68
B.5	Non-legislative instrument, regulatory impact analysis assessment by proposal	69
B.6	Quasi-regulation, regulation impact statement assessment by proposal	69
B.7	Treaties, regulation impact statement assessment by proposal	70
B.8	Treaties, regulatory impact analysis assessment by proposal	70
C.1	Compliance with COAG RIS requirements 2004-05 to 2006-07	77
C.2	Cases where COAG RIS requirements were met at both consultation and decision-making stages in 2006-07	79
C.3	Cases where COAG RIS requirements were not met at consultation and/or decision-making stage	81
C.4	Active RISs assessed for consultation before 31 March 2007 and made public	83
C.5	Consultation with New Zealand RIAU	86
D.1	Australian Government regulatory activities, 2001-02 to 2006-07	91
D.2	Australian Government training evaluation, 2002-03 to 2006-07	96
D.3	Regulatory impact analysis training by type, 2006-07	96
E.1	Regulatory impact analysis requirements in Australian jurisdictions	118
E.2	RIS processes in Australian jurisdictions	119

E.3	Resources for state and territory regulation review units and related activities, 2006-07	119
F.1	Regulatory impact analysis processes in selected OECD countries, 2005	129

Abbreviations

AASB	Australian Accounting Standards Board
ABCB	Australian Building Codes Board
ACCC	Australian Competition and Consumer Commission
ACMA	Australian Communications and Media Authority
ACS	Australian Customs Service
AFMA	Australian Fisheries Management Authority
AHMC	Australian Health Ministers Conference
ANZFRMC	Australia New Zealand Food Regulation Ministerial Council
APEC	Asia-Pacific Economic Cooperation
APRA	Australian Prudential Regulation Authority
APVMA	Australian Pesticides and Veterinary Medicines Authority
ARPANSA	Australian Radiation Protection and Nuclear Safety Agency
ASCC	Australian Safety and Compensation Council
ASIC	Australian Securities and Investments Commission
ATC	Australian Transport Council
BCA	Business Council of Australia
BCC	Business Cost Calculator
BIA	Business Impact Assessment
BRO	Better Regulation Office (NSW)
CBA	Cost-benefit analysis
CEPD	Council of Economic Planning and Development
CIA	Competition Impact Analysis
COAG	Council of Australian Governments
CPA	Competition Principles Agreement
CRC	COAG Reform Council

DAFF	Department of Agriculture, Fisheries and Forestry
DEST	Department of Education, Science and Training
DEW	Department of the Environment and Water Resources
DEWR	Department of Employment and Workplace Relations
DFAT	Department of Foreign Affairs and Trade
DHA	Department of Health and Ageing
DIAC	Department of Immigration and Citizenship
DITR	Department of Industry, Tourism and Resources
DoCITA	Department of Communications, Information Technology and the Arts
DTRS	Department of Transport and Regional Services
ERA	Economic Regulation Authority (WA)
FACCSIA	Department of Family and Community Services and Indigenous Affairs
FSANZ	Food Standards Australia and New Zealand
FTE	Full-time equivalent
IDC	Inter-departmental Committee
IPART	Independent Pricing and Regulatory Tribunal
LRP	Legislation Review Program (Tasmania)
MCC	Ministerial Council of Corporations
MCCA	Ministerial Council for Consumer Affairs
MCE	Ministerial Council on Energy
NCC	National Competition Council
NRA	National Reform Agenda
NSSBs	National standard-setting bodies
OBPR	Office of Best Practice Regulation
OECD	Organisation for Economic Cooperation and Development
OH&S	Occupational Health and Safety
OMB	Office of Management and Budget (US)
ORR	Office of Regulation Review
PC	Productivity Commission

PIMC	Primary Industries Ministerial Council
RBA	Reserve Bank of Australia
RIA	regulatory impact analysis
RIAS	Regional Impact Assessment Statement
RIAU	Regulatory Impact Analysis Unit (New Zealand)
RIS	Regulation Impact Statement
RPU	Regulation Policy Unit (ACT)
SBDC	Small Business Development Corporation
SBIS	Small Business Impact Statement
SCAG	Standing Committee of Attorney Generals
SCM	Standard Cost Model
SSCRO	Senate Standing Committee on Regulations and Ordinances
VCEC	Victorian Competition and Efficiency Commission
WTO	World Trade Organization