

P/031/EN043

17 December 2007

Mr Stephen Rimmer
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Business Regulation Benchmarking
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Dear Stephen

Submission from the New Zealand Ministry of Economic Development on the Productivity Commission Information Paper for Performance Benchmarking of Australian Business Regulation Released on 19 October 2007

Following our earlier submission on the **Discussion Draft for Performance Benchmarking of Australian Business Regulation**, the Ministry of Economic Development has reviewed the Information Paper for the first year of the second stage of the Performance Benchmarking Study of Australian Business Regulation. We welcome the Commission's recognition that, given the similarities between the regulatory environment in Australia and New Zealand, there may be advantages in including New Zealand within the scope of the Study in years 2 and 3.

We strongly support the indicators of the quality and quantity of regulation that the Commission will be collecting in year 1 of the Study, and we plan to undertake some work over the next few months to assess the feasibility of collecting data relevant to the same indicators for New Zealand.

The Ministry considers that the inclusion of New Zealand in aspects of years 2 and 3 of the Benchmarking Study would add more data points from which to compare the nature of, and need for, particular regulatory burdens, and would therefore add to the level of richness in the results of your study. If we can collect baseline information on the quality and quantity of regulation in New Zealand, this will also form a useful basis for ongoing work on the stock of regulation in both countries. Trans-Tasman collaboration on regulatory benchmarking would also complement the Trans-Tasman Mutual Recognition Agreement and the ongoing deepening of the work on regulation co-ordination between Australia and New Zealand.

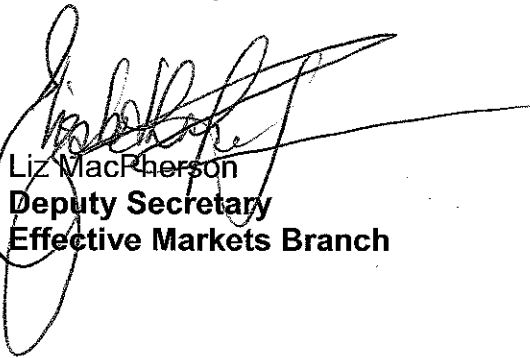
We therefore wish to take this opportunity to formally express our interest in further discussions with the Commission and the Government Advisory Panel concerning the potential inclusion of New Zealand in years 2 and 3 of the Benchmarking Study. Like the Commission, while MED can undertake its own research and data gathering activities, we will need to rely on the cooperation of other government agencies and business groups to provide the information and data needed for the Study. In order to ensure that we can provide effective co-ordination this side of the Tasman, we would appreciate it if we could be invited to participate in the Government Advisory Panel. Membership would also enable us to take part in upcoming discussions about the direction and content of years 2 and 3 of the Study.

In the meantime, we plan to undertake some preliminary work to determine what areas of the Commission's work programme for years 2 and 3 of the Study are most relevant for New Zealand. This will include discussions with other government agencies that have an interest in the areas of regulation that the Commission is proposing to Study.

Finally I need to note that we are not specifically funded for participation in this project. Therefore we will need, as soon as practicable, to discuss with you the extent and potential costs of New Zealand's participation in the Benchmarking Study, and how our contribution could potentially be made.

Thank you for the opportunity to consider the Information Paper for year 1 of the benchmarking study. We look forward to further discussions in the New Year.

Yours sincerely



Liz MacPherson
Deputy Secretary
Effective Markets Branch