

12 August 2008

Mr Stewart Plain
Assistant Commissioner
Business Regulation Benchmarking
Productivity Commission
PO Box 80
BELCONNEN ACT 2616
Email: regulationbenchmarking@pc.gov.au

Dear Stewart

Further Submission from the New Zealand Ministry of Economic Development on the Productivity Commission Performance Benchmarking of Australian Business Regulation

Following our earlier submissions on the Discussion Draft and Information Paper for the Commission's Performance Benchmarking of Australian Business Regulation project, thank you for providing us with the questionnaires the Commission is using for year 1 of the benchmarking study.

Given the trans-Tasman Single Economic Market objective and the similarities between Australia's and New Zealand's regulatory systems, we consider that there are trans-Tasman benefits from the Commission having access to New Zealand benchmarking data for the purposes of its Performance Benchmarking project. New Zealand data on our regulatory system and business registrations provides a useful comparator with the correlating data collated for the Australian Federal and State Governments, and will therefore add to the level of richness in the results of the Commission's study.

We have therefore collated NZ data for the Regulatory System and Business Registrations questionnaires. We found completing the questionnaires to be a useful way to collect baseline information on New Zealand's regulatory system. We consider that a comparative analysis by the Commission has the potential to form the basis for ongoing work aimed at improving the stock of regulation in both Australia and New Zealand.

Having completed the questionnaires, we are submitting the results to the Commission for your information as you progress year 1 of the benchmarking study. We look forward to further discussions as the study progresses.

Yours sincerely

Peter Mumford
Director
Effective Markets Branch

Productivity Commission

Business Regulation Benchmarking Study for COAG

Regulatory system questionnaire 2006-07

GENERAL INSTRUCTIONS

Purpose of Collection

The Productivity Commission has been asked by the Australian Government, at the request of the Council of Australian Governments, to benchmark regulatory compliance burdens on business across all levels of government. The information provided in response to this survey will assist the Commission in this task. For further information about the study please see the Business Regulation Benchmarking study website at:

<http://www.pc.gov.au/study/regulationbenchmarking/stage2>

Completing the questionnaire

The sheets of this survey are locked and cannot be altered - please answer questions in the white fields.

Please click in the fields with a red tag in the corner for further information about answering the question.

Do not use n.a. Instead indicate if data is 'not applicable' or 'not available' - providing the reasons in the comments box.

Do not alter the form.

Saving and re-opening the survey

To save the form when completed, or partially completed, save the files as you would save any spreadsheet.

Survey Helpdesk

If you require assistance in completing this survey, need further clarification about particular questions or have a general query, please contact the Helpdesk at (02) 6240 3262 or regulationbenchmarking@pc.gov.au, or Adam Sheppard at (02) 6240 3294.

How to submit

Return the survey via email to your central agency contact by the due date.

Productivity Commission

**Business Regulation Benchmarking
Study for COAG**

**Regulatory system
questionnaire 2006-07**

Part 1 - Quantity of Regulation

Stock of regulation

1. How many Acts of parliament/assembly (primary legislation) were in force in your jurisdiction at the close of business on 30 June 2007?

Number
1641

2. In total, how many pages were in the official printing of these Acts at 30 June 2007?

3. How many statutory rules and other legislative instruments were in force in your jurisdiction at the close of business on 30 June 2007?

Statutory rules:

Other legislative instruments:

4. In total, how many pages were in the official printing of these instruments at 30 June 2007?

Statutory rules:

Other legislative instruments:

Flow of regulation

5. How many new Acts of parliament/assembly, excluding appropriation Acts, were enacted in your jurisdiction between 1 July 2006 and 30 June 2007?

Number
78

6. In total, how many pages were in the official printing of these Acts?

2478

7. How many new legislative instruments (subordinate legislation) were enacted in your jurisdiction between 1 July 2006 and 30 June 2007?

8. In total, how many pages were in the official printing of these instruments?

Regulators

KEY DEFINITION - PLEASE READ
For the purpose of this survey the term 'business' includes not-for-profit businesses, but is defined to exclude economic activities of individuals (except also where individuals engage in productive activity either as sole traders or in partnership) and entities mainly engaged in hobby activities.

9. How many business regulators did your jurisdiction have as at 30 June 2007; that is, bodies whose activities include regulating some aspect of business activity?

	Number
<u>Departments, offices, agencies</u>	<input type="text" value="36"/>
<u>Statutory authorities</u>	<input type="text" value="27"/>
<u>Local councils</u>	<input type="text" value="73"/>
<u>Other local or regional authorities</u>	<input type="text" value="12"/>
<u>Non-government bodies with mandatory business regulatory functions</u>	<input type="text"/>

Part 2 - Quality of Regulation

Regulation making processes

KEY DEFINITION - PLEASE READ

Regulation includes primary or subordinate legislation which compels businesses and/or occupations to act in a way that they may not do otherwise.

Quasi-regulation includes other rules or arrangements where governments influence business compliance, but which do not form part of explicit government regulations. Quasi-regulation includes codes of conduct, codes of practice, advisory instruments, rulings, and government notes.

Consultation

10. Between 1 July 2006 and 30 June 2007 did your jurisdiction publish a list of new regulatory proposals which would be considered in the following year?

Yes/No

11. Between 1 July 2006 and 30 June 2007 what percentage of bills, statutory rules and other legislative instruments and quasi-regulation were subject to mandatory public consultation requirements for new regulatory proposals which affected business?

	%
i. Bills	<input type="text" value="100%"/>
ii. Statutory rules	<input type="text" value="100%"/>
iii. Other legislative instruments	<input type="text"/>
iv. Quasi-regulation	<input type="text"/>

12. If any regulatory proposals were subject to mandatory public consultation requirements, what was the minimum period of time required for consultation?

Number of working days

i. Bills	<input type="text"/>
ii. Statutory rules	<input type="text"/>
iii. Other legislative instruments	<input type="text"/>
iv. Quasi-regulation	<input type="text"/>

Regulatory Impact Analysis

All of the questions in this section refer to the requirements for, and use of, Regulation Impact Statements (RIS), or equivalent processes, within your jurisdiction. For state/territory jurisdictions, COAG RIS requirements and processes should not be considered in your responses (the Australian Government will report on these).

13. On 30 June 2007 did your jurisdiction have a mandatory requirement that regulatory proposals affecting business be subject to assessment through a RIS (or equivalent) process?

Yes/No

i. Bills	<input type="text" value="Yes"/>
ii. Statutory rules	<input type="text" value="Yes"/>
iii. Other legislative instruments	<input type="text" value="No"/>
iv. Quasi-regulation	<input type="text" value="No"/>

Comments:

Mandatory consultation for new regulation is not monitored for other legislative instruments or quasi regulation - a RIS may be produced as best practice.
There is no minimum period for consultation - case by case basis.
Cabinet Office rules only require a RIS if a Cabinet decision is required
100% regulatory proposals subject to a RIS requirement excludes Treaty of Waitangi

14. What is the threshold for the preparation of a RIS (or equivalent)?

Policy proposals submitted to Cabinet that result in government bills, statutory regulations, or propose that the government support or adopt a Member's bill. Exemptions:

1. Minor or machinery nature not substantially altering existing arrangements;
2. Administrative matters between departments;
3. Implementing a national treaty (a National Interest Analysis is required);

15. What is the coverage of the RIS (or equivalent)?

For example, does the RIS document the impact on all other groups, as well as business?

All affected parties

16. Where a RIS (or equivalent) is required, is there a requirement that it be made available to stakeholders for comment or consultation?

Yes/No/Not Applicable

i. Bills	Yes
ii. Statutory Rules	Yes
iii. Other legislative instruments	Not Applicable
iv. Quasi-regulation	Not Applicable

17. Is there a requirement that a final RIS (or equivalent) be made public?

Yes/No/Not Applicable

i. Bills	Yes
ii. Statutory Rules	Yes
iii. Other legislative instruments	Not Applicable
iv. Quasi-regulation	Not Applicable

18. Between 1 July 2006 and 30 June 2007 what proportion of regulatory proposals in your jurisdiction were subject to a RIS (or equivalent)?

Jurisdiction %

i. Bills	100.0%
ii. Statutory rules	100.0%
iii. Other legislative instruments	
iii. Quasi-regulation	

19. On 30 June 2007 was there a designated body with responsibility for assessing compliance with RIS (or equivalent) requirements?

If yes, please go to question 20

If no, please go to question 21

Yes/No

Yes

20. Does this designated body have independence under statute?

Yes/No

No

If independent, but not by statute, please specify means:

Independently operating unit within the Ministry of Economic Development

21. On 30 June 2007 was there a mechanism to prevent regulatory proposals proceeding to a final decision if they do not comply with the RIS (or equivalent) requirements?

Yes/No/Not Applicable

Yes

22. On 30 June 2007 was there a designated body with responsibility for publicly reporting on compliance with RIS (or equivalent) requirements?

Yes/No

Yes

If yes, please go to question 23

If no, please go to question 24

23. Does this designated body have independence under statute?

Yes/No

No

If independent, but not by statute, please specify means:

Independently operating unit within the Ministry of Economic Development

24. Between 1 July 2006 and 30 June 2007 was there a requirement for the quantitative estimation of compliance costs on business of new regulatory proposals?

Yes/No

i. Bills

ii. Statutory rules

iii. Other legislative instruments

iv. Quasi-regulation

25. In the case where the quantification of compliance costs was required, was it for the purpose of consultation with stakeholders and/or for the information of decision makers?

Yes/No

i. Required for consultation

ii. Required for decision-maker

26. Between 1 July 2006 and 30 June 2007 for what proportion of regulatory proposals was a quantitative estimation of compliance costs prepared?

	%
i. Bills	<input type="text"/>
ii. Statutory rules	<input type="text"/>
iii. Other legislative instruments	<input type="text"/>
iv. Quasi-regulation	<input type="text"/>

27. Are quantitative estimates of compliance costs made public prior to the enactment of the regulation?

	%
i. Bills	<input type="text" value="100%"/>
ii. Statutory rules	<input type="text" value="100%"/>
iii. Other legislative instruments	<input type="text"/>
iv. Quasi-regulation	<input type="text"/>

28. On 30 June 2007 was there a designated body with responsibility for assessing compliance with the requirement to prepare measurements of compliance costs?

If yes, please go to question 29

If no, please go to question 30

Yes/No

29. Does this body have independence under statute?

Yes/No

If independent, but not by statute, please specify means:

30. On 30 June 2007 was there a mechanism to prevent regulatory proposals proceeding to a final decision if they do not comply with the requirement to prepare quantitative estimates of compliance costs?

Yes/No/Not Applicable

Plain English drafting

31. Does your jurisdiction have either a policy or guidelines encouraging the use of plain English drafting of regulations?

Yes/No
Yes

32. Do you have an independent process for assessing proposed regulations to ensure that they satisfy those plain English requirements?

Yes/No/Not Applicable
Yes

Regulation review

33. Does your jurisdiction require the inclusion of sunset provisions in new regulations?

	%
i. Bills	0
ii. Statutory rules	0
iii. Other legislative instruments	0
iv. Quasi-regulation	0

34. Does your jurisdiction have an ongoing requirement for the periodic review of some regulation?

	%
i. Bills	0
ii. Statutory rules	0
iii. Other legislative instruments	0
iv. Quasi-regulation	0

35. Between 1 July 2006 and 30 June 2007 did your jurisdiction publish a list of regulations that will be reviewed in the coming year?

Yes/No
No

Administration of regulation

36. Does your jurisdiction provide a single entry point for information about government requirements on business?

Yes/No
Yes

37. What is the estimated proportion of initial contacts from business between 1 July 2006 and 30 June 2007 which were received through a single entry point?

%

General comments

Please make any general comments in relation to any issue raised in this survey:

Where we have left blanks, it means the questions are not applicable or we do not hold that information.

Q11, Q13, Q18, Q24. 100% regulatory proposals subject to a RIS requirement excludes Treaty of Waitangi settlement bills, Appropriation Bills and budget night bills.

Q21 & Q30. Ministers may withhold a paper from submission to Cabinet where the RIS has been deemed inadequate.

Q34. Some bills and statutory rules contain review clauses - but these are a minority. We have answered 0% because we do not have a regular programme of regulatory review.

Part 3 - Contact Details

Please provide the details of a person who can be contacted to seek clarification on the information provided in this survey.

Name	<input type="text" value="Ben O'Meara"/>
Position	<input type="text" value="Senior Analyst"/>
Branch/Team/Section	<input type="text" value="Regulatory Policy Team, Effective Markets Branch, MED"/>
Telephone number	<input type="text" value="+64 4"/> <input type="text" value="462 4271"/>
Fax number	<input type="text" value="+64 4"/> <input type="text"/>
Email address	<input type="text" value="ben.o'meara@med.govt.nz"/>

Time taken to complete this survey (minutes)

Thank you for assisting the Productivity Commission.

Productivity Commission

**Business Regulation Benchmarking
Study for COAG**

Business registration requirement questionnaire 2006-07

GENERAL INSTRUCTIONS

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**Business Regulation Benchmarking
Study for COAG**

Business registration requirement questionnaire 2006-07

Part 1 - Incorporation of a new company

Regulator details

1. Name of regulator

New Zealand Companies Office

2. Jurisdiction

3. Legislation governing the incorporation of a new company:

Companies Act 1993

Application process details

4. What is the name of the primary application form used to apply for this registration?

Online name reservation and application. Mandatory requirements/fields: Company name, registered office, address for service, address for communication, shareholder details (minimum one), director details (minimum one), number of shares.

Please submit a copy of the form along with the completed survey

5. Also provide details of any other forms or supporting documents required for this registration.

Directors Consent, Shareholders Consent. Contains full name, residential address, number of shares held (shareholder only) and signature of director/shareholder.

6. Describe any other requirements, in addition to those listed in Question 4 & Question 5.

None

7. Provide details of any studies or reviews examining the compliance costs associated with this registration process.

New Zealand is currently ranked third in the World Bank Ease of Doing Business/Starting Business survey. This is expected to rise to first in the next survey due to the introduction of the new service with the Inland Revenue Department. The annual KPMG-Business NZ Cost Compliance Survey has ranked The Companies Office as The Most Helpful Government Agency for five years running.

Please submit copies of relevant documents or studies along with the completed survey.

8. What changes have been made to the registration process over the last three years?

Introduction of new service that allows clients to apply for a tax number and register for GST at the same time as incorporating their company. The tax number and confirmation of GST registration is received in the same email as the Certificate of Incorporation.

9. What changes, if any, to the registration process are planned for the next three years?

From 1 July 2008 all company incorporations will be required to be carried out online via the internet. There will no longer be any facility provided to file paper based applications.

Interaction between business and regulator

10. Indicate whether information about the registration process is made available to businesses about the registration process in the following ways:

Yes/No

i. Regulator's internet site

Yes

ii. Business information website

Yes

iii. Shopfront

Yes

iv. Mail

Yes

v. Fax

No

vi. Phone

Yes

vii. Other (please describe)

Yes/No

11. Is information available in languages other than English?

No

12. Indicate whether application forms are made available to businesses in the following ways:

	Yes/No
i. Internet	<input type="text" value="Yes"/>
ii. Shopfront	<input type="text" value="Yes"/>
iii. Mail	<input type="text" value="Yes"/>
iv. Fax	<input type="text" value="No"/>
v. Other (please describe)	<input type="text"/>

13. Are the application forms and explanatory material provided together?

14. Indicate whether businesses can make enquiries about the progress of applications in the following ways:
If not applicable, please indicate in the comments box and go to question 15

	Yes/No	Comments:
i. Internet/email	<input type="text" value="Yes"/>	<input type="text"/>
ii. Shopfront	<input type="text" value="Yes"/>	
iii. Mail	<input type="text" value="Yes"/>	
iv. Fax	<input type="text" value="No"/>	
v. Phone	<input type="text" value="Yes"/>	

15. How many applications were lodged/approved between 1 July 2006 and 30 June 2007?

	Number
i. Lodged	<input type="text"/>
ii. Approved	<input type="text" value="74,247"/>

16. Please identify the modes by which forms may be lodged, the proportion of forms lodged by each mode between 1 July 2006 and 20 June 2007, and the source of this information (estimate or administrative records)?

	Available/Not Available	Proportion (%)	Source
i. Internet	<input type="text"/>	<input type="text" value="99.4%"/>	<input type="text" value="Records"/>
ii. Shopfront	<input type="text"/>	<input type="text" value="0.1%"/>	<input type="text" value="Estimate"/>
iii. Mail	<input type="text"/>	<input type="text" value="0.5%"/>	<input type="text" value="Estimate"/>
iv. Fax	<input type="text"/>	<input type="text"/>	<input type="text"/>
v. Other (please describe)	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>			

17. If internet lodgment is available, can businesses save their application and complete it later?

Yes/No

18. Are there fees or charges for this registration?

Yes/No

*If 'yes', please include the amount of the relevant fee and a description of the coverage.
If 'no', please go to question 20.*

19. Please identify the payment modes that are accepted, the proportion of businesses using each mode between 1 July 2006 and 30 June 2007, and the source of this information (estimate or records).

	Available/Not Available	Proportion (%)	Source
i. Internet	Available	99.4%	Records
ii. Shopfront	Available	0.1%	Estimate
iii. Mail	Available	0.5%	Estimate
iv. Fax	Not Available		
v. Phone	Not Available		
vi. Other (please describe)			
<div style="border: 1px solid black; height: 30px; width: 100%;"></div>			

Please make any comments if information on the proportion of payment modes used is not available:

From 1 July 2008 the only payment mode that will be available is via the internet (either credit card or direct debit). For security reasons we currently will not take payment over fax or phone. Shopfront and mail estimate as our system does not differentiate between them - records them both as

20. What is your estimate of the average time required by a business to complete the application process:

	Minutes
i. Familiarisation with the registration requirements	5
ii. Complete the required form and other documents	15
iii. Lodge forms	1
iv. Pay any fees or charges	2
v. Attend interviews or hearings	
vi. Estimated total time required	23

If time estimates are available by different modes of lodgment and payment, please provide this information at question 21.

21. What is the basis for the estimates in question 20?

Using online services. Completion time will vary depending on number of directors/shareholders. 15 minutes based on two of both.

22. Between 1 July 2006 and 30 June 2007, what was the average time taken by your agency to process a valid application and to advise the business?

Working days

1

Estimate/Records

Records

23. Please provide any other comments that you consider to be relevant to the registration process.

Part 2 - Contact Details

Please provide the details of a person who can be contacted to seek clarification on the information provided in this survey.

Name	<input type="text" value="Kara Bonnevie"/>
Position	<input type="text" value="Manager"/>
Branch/Team/Section	<input type="text" value="Registry Policy"/>
Telephone number	<input type="text" value="0064"/> <input type="text" value="44702527"/>
Fax number	<input type="text"/> <input type="text"/>
Email address	<input type="text" value="kara.bonnevie@.med.govt.nz"/>

Time taken to complete this survey (minutes)

Thank you for assisting the Productivity Commission.