



Australian Government Regulation Impact Statement status - by agency: 2016–17

The Office of Best Practice Regulation (OBPR) publishes Regulation Impact Statements (RISs) on its website as soon as practicable from the date of regulatory announcements, in consultation with the relevant agency. Consequently, the RIS status in aggregate and by agency is also reported 'live' in the following tables. RIS compliance for previous years is also available on the OBPR website.

Under the March 2014 Australian Government Regulatory Impact Analysis (RIA) process, the OBPR publishes the RIS, the associated agency certification letter and the OBPR assessment letter. A RIS can evolve during the policy development process, and can also be published for consultation at an early stage. The OBPR assesses RISs for compliance and best practice at the final decision point.

RIS Summary of compliance

Stage	2015–16		2016–17 ^a	
	ratio	%	Ratio	%
RIS compliant	58/58	100	29/29	100
Best practice	45/58	78	24/29	83
RISs for consultation		1		4
Exceptional circumstances		0		1
Estimated annual impact on Regulatory Burden^b	-\$1424.5 million ^c		\$56.4 million ^c	

^a Year to date.

^b Regulatory burden in RISs are estimated using the Commonwealth Regulatory Burden Measurement framework and are assumed to be spread over 10 years. The estimate is based on RISs published at the final decision point.

^c The total estimated annual impact on regulatory burden may differ from the other figures in this document due to rounding.

Regulation Impact Statement compliance 2016-17 (by proposal)

	RIS Compliance	Best practice	PIR required	Regulatory Burden (\$m)
Agriculture and Water Resources	1/1	1/1		\$0.0
<i>Department of Agriculture and Water Resources</i>	1/1	1/1		\$0.0
Imported Food Reforms	Compliant	Yes	No	\$0.0
Attorney-General's	1/1	1/1		\$6.3
<i>Attorney-General's Department</i>	1/1	1/1		\$6.3
Notifiable Data Breaches	Compliant	Yes	No	\$6.3
Communications and the Arts	2/2	2/2		\$0.0
<i>Department of Communications and the Arts</i>	2/2	2/2		\$0.0
Extending the Carrier Licence Conditions Declaration 2014	Compliant	Yes	No	\$0.0
Interactive Gambling Restrictions	Compliant	Yes	No	\$0.0
Education and Training	1/1	0/1		-\$0.9
<i>Department of Education and Training</i>	1/1	0/1		-\$0.9
VET FEE-HELP Redesign	Compliant	No	No	-\$0.9
Employment	4/4	4/4		-\$1.7
<i>Department of Employment</i>	4/4	4/4		-\$1.7
Amending the Fair Work Act 2009 to Protect Vulnerable Workers	Compliant	Yes	No	\$1.6
Amendments to Fair Work Legislation - TURC Response	Compliant	Yes	No	\$0.3
Seacare Reforms	Compliant	Yes	No	\$0.1
Youth Employment Package	Compliant	Yes	No	-\$3.7
Foreign Affairs and Trade	1/1	1/1		\$0.0
<i>Department of Foreign Affairs and Trade</i>	1/1	1/1		\$0.0
Amending the Singapore Australia Free Trade Agreement	Compliant	Yes	No	\$0.0

Health	3/3	2/3		-\$63.7
<i>Department of Health</i>	3/3	2/3		-\$63.7
Clearer Labels for Medicines	Compliant	Yes	No	\$1.1
Codeine Re-scheduling	Compliant	No	No	\$10.2
Government Response to the Reviews of Medicines and Medical Devices Regulation	Compliant	Yes	No	-\$75.0
Infrastructure and Regional Development	1/1	1/1		\$0.5
<i>Department of Infrastructure and Regional Development</i>	1/1	1/1		\$0.5
Enhancing US-Bound Air Cargo Security	Compliant	Yes	No	\$0.5
Treasury	15/15	12/15		\$114.1
<i>Australian Competition and Consumer Commission</i>	2/2	2/2		\$1.2
Declaration of Wholesale ADSL	Compliant	Yes	No	\$0.0
Superfast Broadband Declaration	Compliant	Yes	No	\$1.2
<i>Australian Prudential Regulation Authority</i>	3/3	2/3		-\$17.6
Implementing the Net Stable Funding Ratio in Australia	Compliant	No	No	\$2.4
Margining and Risk Mitigation for Non-Centrally Cleared Derivatives	Compliant	Yes	No	-\$24.6
Prudential Standard APS 120: Securitisation	Compliant	Yes	No	\$4.6
<i>Australian Securities and Investments Commission</i>	2/2	2/2		\$1.3
Providing conditional relief from the <i>Corporations Act 2001</i> to Charitable Schemes and the Collection of School Enrolment Deposits	Compliant	Yes	No	\$0.1
Risk Management Systems of Responsible Entities	Compliant	Yes	No	\$1.2
<i>Department of the Treasury</i>	8/8	6/8		\$129.2
AASB 1058 Income of Not-for-Profit Entities	Compliant	Yes	No	\$13.2
Crowd Sourced Equity Funding	Compliant	Yes	No	\$50.9
Increase in Tobacco Excises	Compliant	Yes	No	\$0.3
Introduce a Diverted Profits Tax	Compliant	Yes	No	\$16.4

Lower Business Taxes	Compliant	No	No	-\$32.0
Register of Foreign Ownership of Water Entitlements	Compliant	Yes	No	\$0.1
Sugar Industry Code	E/c	Yes	Yes	n/a*
Superannuation Reform Package	Compliant	No	No	\$80.3

E/c Exceptional circumstances were granted by the Prime Minister.

** The change in regulatory burden will be reported to the OBPR within three months of the decision.*

Totals may not match exactly due to rounding.

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Detailed information

Department of Agriculture and Water Resources

Proposal	RIS Status	Best practice	PIR required	Regulatory Burden (\$m)
Imported Food Reforms	Compliant	Yes	No	\$0.0

The proposed legislation will increase the accountability of importers, taking into consideration the food safety and regulatory systems in countries of origin and introducing stronger traceability requirements.

Attorney-General's Department

Proposal	RIS Status	Best practice	PIR required	Regulatory Burden (\$m)
Notifiable Data Breaches	Compliant	Yes	No	\$6.3

Organisations regulated under the *Privacy Act 1988*, with turnover above \$3 million, will be required to notify individuals of data breaches.

Department of Communications and the Arts

Proposal	RIS Status	Best practice	PIR required	Regulatory Burden (\$m)
Extending the Carrier Licence Conditions Declaration 2014	Compliant	Yes	No	\$0.0

The proposal examines options to extend the Carrier Licence Declaration 2014.

Proposal	RIS Status	Best practice	PIR required	Regulatory Burden (\$m)
Interactive Gambling Restrictions	Compliant	Yes	No	\$0.0

The proposal amends the *Interactive Gambling Act 2001* to prohibit 'click to call' in-play betting services and increases powers of the Australian Communications and Media Authority to enforce provisions within the Act.

Department of Education and Training

Proposal	RIS Status	Best practice	PIR required	Regulatory Burden (\$m)
VET FEE-HELP Redesign	Compliant	No	No	-\$0.9

The proposal examines reforms to the Government's Vocational Education and Training income contingent loan scheme. The RIS was assessed as compliant but not best practice. To achieve best practice the RIS required greater analysis of expected impacts on the vocational education and training market.

Department of Employment

Proposal	RIS Status	Best practice	PIR required	Regulatory Burden (\$m)
Amending the <i>Fair Work Act 2009</i> to Protect Vulnerable Workers	Compliant	Yes	No	\$1.6

The Government introduced amendments to the *Fair Work Act 2009* to protect workers from exploitation by unscrupulous employers and improve compliance with Australia's workplace laws.

Proposal	RIS Status	Best practice	PIR required	Regulatory Burden (\$m)
Amendments to Fair Work Legislation - TURC Response	Compliant	Yes	No	\$0.3
Amendments to the <i>Fair Work Act 2009</i> in response to recommendations 40, 41 and 48 of the Final Report of the Royal Commission into Trade Union Governance and Corruption (TURC Report), promoting better governance of registered organisations.				

Proposal	RIS Status	Best practice	PIR required	Regulatory Burden (\$m)
Seacare Reforms	Compliant	Yes	No	\$0.1
Legislation to reform the Seacare scheme to clarify the scheme's coverage, update the scheme's work health and safety and worker's compensation, and provide more efficient and effective governance.				

Proposal	RIS Status	Best practice	PIR required	Regulatory Burden (\$m)
Youth Employment Package	Compliant	Yes	No	-\$3.7
The core of the Youth Employment Package is a new Youth Jobs PaTH (Prepare-Trial-Hire) programme.				

Department of Foreign Affairs and Trade

Proposal	RIS Status	Best practice	PIR required	Regulatory Burden (\$m)
Amending the Singapore Australia Free Trade Agreement	Compliant	Yes	No	\$0.0
The amendment addresses key trade barriers and updates the Agreement to reflect modern trade provisions and outcomes provided to more recent FTA partners by both Australia and Singapore.				

Department of Health

Proposal	RIS Status	Best practice	PIR required	Regulatory Burden (\$m)
Clearer Labels for Medicines	Compliant	Yes	No	\$1.1
The new standards for medicine labelling require active ingredients be more prominently identified and consistently located on both prescription and non-prescription medicine labels, specify additional health and allergen information to be identified, designate a space for dispensing labels on prescription medicines and make other detailed changes. A four year transition period is intended to reduce compliance costs.				

Proposal	RIS Status	Best practice	PIR required	Regulatory Burden (\$m)
Codeine Re-scheduling	Compliant	No	No	\$10.2
The measure provides that products containing codeine will not be able to be sold over the counter in pharmacies, making such products available on prescription only. The change commences on 1 February 2018. To achieve best practice a more informative analysis of the costs and benefits of all the options was required				

Proposal	RIS Status	Best practice	PIR required	Regulatory Burden (\$m)
Government Response to the Review of Medicines and Medical Devices Regulation	Compliant	Yes	No	-\$75.0
Reforms to regulation of medicine and medical devices based on recommendations from the Independent Review of Medicines and Medical Devices Regulation. The Department of Health certified an independent review in lieu of a RIS. The OBPR does not assess reviews that have been certified as meeting the requirements of a RIS.				

Department of Infrastructure and Regional Development

Proposal	RIS Status	Best practice	PIR required	Regulatory Burden (\$m)
Enhancing US-Bound Air Cargo Security	Compliant	Yes	No	\$0.5
Examines options to meet the United States' requirement that all US-bound air cargo must be examined at a piece level.				

Australian Competition and Consumer Commission

Proposal	RIS Status	Best practice	PIR required	Regulatory Burden (\$m)
Declaration of Wholesale ADSL	Compliant	Yes	No	\$0.0
Extend a declaration on Telstra's wholesale ADSL internet services for five more years. The declaration means that the Australian Competition and Consumer Commission (ACCC) can set the price and other conditions when Telstra sells wholesale access of ADSL internet services to other retail internet providers.				

Proposal	RIS Status	Best practice	PIR required	Regulatory Burden (\$m)
Superfast Broadband Declaration	Compliant	Yes	No	\$1.2
The Declaration means that non-NBN broadband services with data rates normally more than 25 Mbps will have the price that they charge for wholesale access determined by the ACCC. The decision was informed by the Superfast Broadband Access Service Declaration Inquiry, which the ACCC certified as meeting the requirements of a RIS. The OBPR does not assess reviews that have been certified as meeting the requirements of a RIS.				

Australian Prudential Regulation Authority

Proposal	RIS Status	Best practice	PIR required	Regulatory Burden (\$m)
Implementing the Net Stable Funding Ratio in Australia	Compliant	No	Yes	\$2.4
Require Authorised Deposit-taking Institutions to fund their activities with more stable sources of funding on an ongoing basis, commencing on 1 January 2018. The RIS was not assessed as consistent with best practice because it did not provide a level of analysis commensurate with the likely impacts on key stakeholders.				

Proposal	RIS Status	Best practice	PIR required	Regulatory Burden (\$m)
Margining and Risk Mitigation for Non-Centrally Cleared Derivatives	Compliant	Yes	No	-\$24.6
Examines options to implement internationally agreed reforms for margining and risk mitigation for non-centrally cleared derivative transactions in the Australian financial system.				

Proposal	RIS Status	Best practice	PIR required	Regulatory Burden (\$m)
Prudential Standard APS 120 - Securitisation	Compliant	Yes	No	\$4.6
Provide ADIs with more flexibility in their securitisation funding arrangements; provide a simpler set of requirements for the use of securitisation and introduce more conservative regulatory capital requirements for some types of securitisation exposures.				

Australian Securities and Investments Commission

Proposal	RIS Status	Best practice	PIR required	Regulatory Burden (\$m)
Providing Conditional Relief from the <i>Corporations Act 2001</i> to Charitable Schemes and School Enrolment Deposits	Compliant	Yes	No	\$0.1
The New Class Order maintains the relief provided to charitable entities and schools to assist them in achieving their fundraising objectives. The instrument imposes new restrictions on short-term and at-call investments to reduce the risks posed to investors.				

Proposal	RIS Status	Best practice	PIR required	Regulatory Burden (\$m)
Risk Management Systems of Responsible Entities	Compliant	Yes	No	\$1.2
The released guidance on risk management systems provides tailored guidance for responsible entities on how to meet the obligation, and seeks to set minimum standards and address inconsistencies among existing arrangements of various responsible entities.				

Department of the Treasury

Proposal	RIS Status	Best practice	PIR required	Regulatory Burden (\$m)
AASB 1058 Income of Not-for-Profit Entities	Compliant	Yes	No	\$13.2
Allow not-for profit entities to report donations and grants with performance obligations as revenue when the obligation has been met. Broaden the range of assets reported on a not-for-profit's balance sheet at 'fair value'.				

Proposal	RIS Status	Best practice	PIR required	Regulatory Burden (\$m)
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Crowd-Sourced Equity Funding	Compliant	Yes	No	\$50.9
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The Bill establishes a regulatory framework to facilitate crowd-sourced funding by small, unlisted public companies. The crowd-sourced funding (CSF) regime includes: eligibility requirements for a company to fundraise via CSF, including disclosure requirements for CSF offers; obligations of a CSF intermediary in facilitating CSF offers; the process for making CSF offers; rules relating to defective disclosure as part of a CSF offer; investor protection provisions; and temporary relief for new public companies eligible to crowdfund from certain reporting and governance requirements.

Proposal	RIS Status	Best practice	PIR required	Regulatory Burden (\$m)
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Introduce a Diverted Profits Tax	Compliant	Yes	No	\$16.4
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Introduces a 40 per cent tax on diverted profits to encourage greater compliance by large multinational enterprises with their tax obligations in Australia

Proposal	RIS Status	Best practice	PIR required	Regulatory Burden (\$m)
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Increase in Tobacco Excises	Compliant	Yes	No	\$0.3
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Increases the rate of excise-equivalent customs duty on tobacco and tobacco products through a series of four annual increases of 12.5 per cent, commencing on 1 September 2017.

Proposal	RIS Status	Best practice	PIR required	Regulatory Burden (\$m)
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Lower Business Taxes	Compliant	No	No	-\$32.0
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Reduces corporate tax rates, increases the small business income tax offset for unincorporated small businesses and increases the small business annual turnover threshold from \$2 million to \$10 million. The RIS was assessed as compliant but not best practice because the level of analysis in the RIS was not commensurate with the likely impacts of the proposals; the views of all stakeholders (including dissenting views) were not identified in the RIS; the conclusion that the proposals will result in a net benefit was not demonstrated by the impact analysis in the RIS; and the status of the RIS at each major decision-making point was not clearly identified.

Proposal	RIS Status	Best practice	PIR required	Regulatory Burden (\$m)
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Register of Foreign Ownership of Water Entitlements	Compliant	Yes	No	\$0.1
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Establishes a register of foreign ownership of water entitlements.

Proposal	RIS Status	Best practice	PIR required	Regulatory Burden (\$m)
Sugar Industry Code	E/c	Yes	Yes	n/a*
<p>Provides for an arbitration framework for sugar industry participants, and ensures growers have the right to choose who markets their sugar. An exemption from the RIS requirements was granted by the Prime Minister due to urgent and unforeseen events.</p> <p>*Regulatory costs will be estimated and agreed with the OBPR within three months of the decision.</p>				

Proposal	RIS Status	Best practice	PIR required	Regulatory Burden (\$m)
Superannuation Reform Package	Compliant	No	No	\$80.3
<p>Makes the superannuation system fairer and more fiscally sustainable; encourages and provides more opportunities for people to save for their retirement; and improves the integrity of the superannuation system to ensure that it is used for the purpose of providing income in retirement to substitute or supplement the age pension and not for tax minimisation and estate planning purposes. The RIS was assessed as compliant but not best practice as significant and major policy decisions were announced on 15 September 2016 that were not informed by an updated RIS.</p>				

Appendix A – RISs used for consultation during 2016–17

The RISs listed below have been certified by the authoring agencies, subject to an early assessment by the OBPR and published for consultation during the current financial year.

Proposal	Agency	Closing date
Proposed vehicle emissions and fuel quality measures	Department of Infrastructure and Regional Development	10 March 2017
Regional Broadband Scheme	Department of the Communications and the Arts	3 February 2017
Draft Decision ADSL Inquiry	Australian Competition and Consumer Commission	14 November 2016
Proposed Imported Food Reforms	Department of Agriculture and Water Resources	30 September 2016

Proposed vehicle emissions and fuel quality measures (*Department of Infrastructure and Regional*)

Proposals to implement new vehicle fuel efficiency standards for light vehicles and higher air pollution standards for cars, trucks and buses

Published: 9 February 2017 (Published by the Department of Infrastructure and Regional Development on 13 January 2017)

Regional Broadband Scheme (*Department of Communications and the Arts*)

Draft legislation for a package of reforms for the telecommunications industry. One part of the package proposes to implement a funding arrangement, the Regional Broadband Scheme (the Scheme), to provide ongoing funding for NBN Co Ltd's (NBN's) fixed wireless and satellite services (the non-commercial services) in regional areas.

Published: 7 February 2017

Draft Decision ADSL Inquiry (*Australian Competition and Consumer Commission*)

Extend declaration of the wholesale ADSL service for five years. The declaration means the ACCC can set the price and other conditions that apply to Telstra in the supply of the wholesale ADSL service to other retail internet providers.

Published: 21 November 2016 (Published by the ACCC on 14 October 2016)

Proposed Imported Food Reforms (*Department of Agriculture and Water Resources*)

Proposals to reform the imported food regulatory system.

Published: 11 October 2016 (Published by the Department of Agriculture and Water Resources on 22 August 2016)