Dear Ms Cvijanovic

Regulation Impact Statement – Final Assessment Second Pass

I am writing in relation to the attached Regulation Impact Statement (RIS) prepared for reform of the Seacare scheme (Seacare reforms).

The regulatory burden on Seacare employers and employees has been quantified and offsets have been identified and quantified using the Regulatory Burden Measurement framework. These have been agreed with your office.

I am satisfied that the RIS addresses the concerns raised in Mr Tony Simovski’s letter of 31 August 2016. Specifically:

- The ‘Problem Statement’ section of the RIS more clearly identifies the nature of the problem by further explaining the practical consequences for Seacare employers and employees arising from the lack of certainty about the coverage of the Seacare scheme, including costs of determining the appropriate workers’ compensation coverage, potential costs of having to obtain workers’ compensation coverage over multiple jurisdictions, potential costs of not holding the appropriate workers’ compensation insurance and costs of claims being disputed through tribunals and the courts.

- The ‘Consultation’ section of the RIS provides significantly more detail on the consultation processes undertaken to support the development of the Seacare reforms, including the timing and length of consultations held and the stakeholders that
participated in the consultations. It also more clearly outlines how the three options in
the RIS have developed in response to views expressed by stakeholders over the course
of the reviews of the Seacare scheme and recent consultations hosted by the
Department.

- The ‘Impact Analysis’ section of the RIS also further explains the likely net benefit of
each option. The most significant net benefit of the options to abolish the Seacare
scheme or reform the Seacare scheme is improvements in safety outcomes, which will
reduce costs associated with workplace injuries for both employers and employees.
However, in isolation of any changes to broader economic factors affecting the
Australian maritime industry, these options are not expected to have any significant
impacts the size of the Australian maritime industry, the nature of the industry or
employment opportunities in the industry.

Accordingly, I am satisfied that the RIS now meets best practice consistent with the

I submit the RIS to the Office of Best Practice Regulation for formal final assessment.

Yours sincerely

Sandra Parker

6 September 2016