



Australian Government
Attorney-General's Department
Deputy Secretary
Civil Justice and Corporate Group

Our reference: 16/366
Your reference: 22253

Ms Tanja Cvijanovic
Executive Director
Office of Best Practice Regulation
Department of the Prime Minister and Cabinet
1 National Circuit
BARTON ACT 2600

Email: helpdesk-OBPR@pmc.gov.au

Dear Ms Cvijanovic

Certification of independent review: *Business Set up, Transfer and Closure Productivity Commission Inquiry Report 2015*

I am writing to certify that the attached independent review of *Business Set-up, Transfer and Closure* has undertaken a process and analysis equivalent to a Regulation Impact Statement (RIS) for the policy to amend the *Bankruptcy Act 1966* to reduce the default period of bankruptcy to one year and to provide for income contributions for at least three years.

I certify that the review has adequately addressed all seven RIS questions, and is submitted to the Office of Best Practice Regulation for the purposes of facilitating legislative reform that will implement the recommendation to reduce the default bankruptcy period from three years to one year.

I also note that the regulatory burden to business, community organisations or individuals has been quantified and offsets identified using the Australian Government's *Regulatory Burden Measurement* framework. These have been agreed with your office and are provided below.

<u>Regulatory burden and cost offset estimate table</u>				
Average annual regulatory costs (from business as usual)				
Change in costs (\$ million)	Business	Community organisations	Individuals	Total change in costs
Total, by sector	– \$1.155	\$0	– \$2,934	– \$4.088

Regulatory burden and cost offset estimate table

Average annual regulatory costs (from business as usual)

Cost offset (\$ million)	Business	Community organisations	Individuals	Total, by source
Agency	\$0	\$0	\$0	\$0
Are all new costs offset?				
<input type="checkbox"/> Yes, costs are offset <input type="checkbox"/> No, costs are not offset <input checked="" type="checkbox"/> Deregulatory—no offsets required				
Total (Change in costs – Cost offset) (\$ million) = – \$4.088				

Accordingly, I am satisfied that the attached report now meets best practice consistent with the *Australian Government Guide to Regulation*.

The action officer for this matter is Wendy Hau who can be contacted on 6141 4715.

Yours sincerely



Iain Anderson
Deputy Secretary
Civil Justice and Corporate Executive

24 May 2017