

Senate Finance and Public Administration Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates 26 May-6 June 2014

Prime Minister and Cabinet Portfolio

Department/Agency: Department of the Prime Minister and Cabinet

Outcome/Program: 1.1 Prime Minister and Cabinet

Topic: Deregulation savings

Senator: Senator the Hon Penny Wong

Question reference number: 114

Type of Question: FPA, Tuesday 27 May 2014, page 118

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Number of pages: 5

Question:

Senator WONG: I was going to ask some questions about deregulation, but I can put some of them on notice. I just want you to confirm that the deregulation savings target is \$1 billion per year.

Ms Cross: That is correct.

Senator WONG: The current progress is \$700 million?

Ms Cross: To be technically accurate, the \$1 billion target is a net target. As indicated on the website, the amount it repealed, over \$700 million, was the reductions in red tape. The net amount will be announced at the end of the reporting period.

Senator WONG: Can you tell me who costed the \$700 million?

Ms Cross: Some of the measures were costed by the Office of Best Practice Regulation and others were reported by departments using the same methodology, but not independently verified by OBPR.

Senator WONG: They were not or they were?

Ms Cross: They were not. There are some that need to be verified and others that are reported by the department using the same methodology.

Senator WONG: I do not know if it is best to take this on notice, but I want a breakdown on what was verified by whom and what was calculated by whom. Is it best to—

Ms Cross: I think we will take that on notice.

Senator WONG: Is that—

Ms Cross: Yes, there were a large number of measures. It would be easier to take that on notice.

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Answer:

In conjunction with the 2014 Autumn Repeal Day, on 19 March 2014 the Government detailed measures totalling \$719.43 million in regulatory savings.

Individual costings for each measure that contributed to this total were prepared by the department with policy responsibility for the measure. Of the \$719.3 million, the Office of Best Practice Regulation (OBPR) assessed the accuracy of the quantification of these costings for 13 measures with a combined regulatory savings of \$608.52 million, comprising:

- a total of \$577.55 million from nine measures which were individually costed as part of a Regulation Impact Statement (RIS) that was publicly available on the OBPR website by 2014 Autumn Repeal Day (refer Table 1); and
- a total of \$30.97 million from four measures that were individually costed but did not have a RIS publicly available on the OBPR website on 2014 Autumn Repeal Day (refer Table 2).

The remaining \$110.92 million (from the \$719.43 million total regulatory saving) is comprised of 31 measures which did not require a RIS. The regulatory savings for these measures was prepared by the responsible department but not assessed by the OBPR (refer Table 3 for which department costed each measure).

Information in Tables 1, 2 and 3 below was published in conjunction with 2014 Autumn Repeal Day on the Government's www.cuttingredtape.gov.au website.

Table 1: Costings approved by OBPR as part of a published RIS¹

The following measures required a RIS. The RIS was prepared by the department with policy responsibility. As part of the RIS process, costings were prepared by the responsible departments and assessed by the OBPR, with the information made publicly available on the OBPR website on 2014 Autumn Repeal Day.

| Measure | Responsible Department |
|--|-------------------------------|
| Future of Financial Advice reforms | Treasury |
| One-stop-shop for offshore petroleum environmental approvals (NOPSEMA) | Environment/ Industry |
| Repealing the Carbon Tax | Environment |
| Improving the Fair Work Laws | Employment |

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| Measure | Responsible Department |
|--|-------------------------------|
| Changing the current paid parental leave scheme | Social Services |
| Broadening access to the national workers' compensation regime | Employment |
| Streamlining the <i>Personal Property Securities Act 2009</i> (PPSA) | Attorney-General |
| Repealing the Mining Tax | Treasury |
| Streamlining the pricing process for residential aged care | Social Services |

¹ A RIS is mandatory for all Cabinet Submissions, and is also required where a policy proposal is likely to have a measurable impact on business, community organisations or individuals. Where a RIS is required, the OBPR assesses the accuracy of the quantification of regulatory benefits, costs and offsets. This data was sourced from Table 1, 'Published Regulation Impact Statements' (page 3) from the document, *The Australian Government Autumn Repeal Day March 2014: Overview* which is available on the Government's www.cuttingredtape.gov.au website.

Table 2: Costings approved by OBPR but RIS not published on 2014 Autumn Repeal Day²

RISs were prepared for the following measures but were not publicly available by 2014 August Repeal Day on the OBPR website. Costings for each measure were prepared by the responsible department and assessed by the OBPR.

| Measures | Responsible Department |
|---|-------------------------------|
| Changes to identity verification requirements for pre-paid mobile services | Communications |
| Repealing Fair Work Principles and reducing the compliance burden associated with the Commonwealth Cleaning Services Guidelines | Employment |
| Removing requirements for Australian Industry Opportunity Officers from the Enhanced Project By-Law Scheme | Industry |
| Amendments to Intellectual Property laws | Industry |

² This data was sourced from Table 2 'Further Deregulatory Initiatives' (page 4) from the document, *The Australian Government Autumn Repeal Day March 2014: Overview* which is available on the Government's www.cuttingredtape.gov.au website.

³ Options-stage RIS published 15 May 2013.

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⁴ Options-stage RIS published 27 March 2014.

Table 3: Self-assessed costings⁵

RISs were not required for the following measures (on the basis that the measure was assessed as ‘minor or machinery’). As a RIS was not required, costings for each measure were prepared by the responsible department, but not assessed by the OBPR.

| Measures | Responsible Department |
|---|-------------------------------|
| Grant and procurement administration reform ⁶ | Finance |
| Repealing duplicative requirements for standard form agreements between telecommunication companies and consumers | Communications |
| Reducing the regulatory burden for Job Services Australia providers | Employment |
| Administrative changes to 457 visas | Immigration |
| Streamlining reporting requirements for Disability Employment Services | Social Services |
| Streamlining grant applications to the National Health and Medical Research Council | Health |
| Legislative change to streamline regulation of the higher education sector by the Tertiary Education Quality and Standards Agency | Education |
| Streamlining aged care building certification requirements | Social Services |
| Exempting Defence Housing Australia from the Public Works Committee | Finance |
| Streamlining the film, computer game and publication classification system | Attorney-General |
| Bulk repeal of nearly 10,000 legislative instruments (AGs) | Attorney-General |
| Private health insurance amendment | Health |
| Streamlining APEC Business Travel Card registration | Immigration |
| Amending reporting requirements under the Broadcasting Services Act 1992 | Communications |

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| Measures | Responsible Department |
|--|-------------------------------|
| Streamlining the Australian Communications and Media Authority's complaint processes | Communications |
| Streamlining reporting requirements for telecommunication companies to lodge access agreements with the ACCC | Communications |
| Streamlining reporting requirements for the Home Interaction Program for Parents and Youngsters (HIPPY) | Education |
| Simplifying migration agent re-registration requirements | Immigration |
| Streamlining agricultural chemicals and veterinary medicines approval processes | Agriculture |
| Streamlining regulation of ozone depleting substances and synthetic greenhouse gas products | Environment |
| Statute Law Revision Bill (No. 1) 2014 (AGs) | Attorney-General |
| Amending Acts 1901 to 1969 Repeal Bill 2014 | Attorney-General |
| Streamlining remote service delivery monitoring | Prime Minister and Cabinet |
| Removing requirements for multiple permits for submarine cables | Communications |
| Streamlining telecommunications industry codes | Communications |
| Simplified price disclosure | Health |
| Greater visa flexibility for Chinese business visitors | Immigration |
| Repealing duplicated Universal Service Obligation requirements | Communications |
| Streamlining water assessments for resource projects | Environment |
| Streamlining processes for Australian Disability Enterprises | Social Services |
| Removing redundant permit and levy process for sea installations | Environment |

⁵ This data was sourced from Table 2 'Further Deregulatory Initiatives' (page 4) from the document, *The Australian Government Autumn Repeal Day March 2014: Overview* which is available on the Government's www.cuttingredtape.gov.au website.

⁶ The grant and procurement administration reform measures were agreed by the current Government in 2013, prior to the inclusion of procurement and grants in the definition of regulation. Consequently, a RIS was not required for the decision and the Department of Finance self-assessed that the compliance cost savings for the reform at \$62.23 million.