

**Senate Finance and Public Administration Legislation Committee**  
**ANSWERS TO QUESTIONS ON NOTICE**  
**BUDGET ESTIMATES 2011-2012**

**Finance and Deregulation Portfolio**

**Department/Agency: Department of Finance and Deregulation**

**Outcome/Program: 1/1.1**

**Topic: Regulation**

**Senator: Ryan**

**Question reference number: F124**

**Type of question: Written**

**Date set by the committee for the return of answer: Friday, 8 July 2011**

**Number of pages: 1**

**Question:**

Are agencies required to consult with businesses and not-for-profit organisations when proposing a new regulation that will affect these parties?

**Answer:**

Yes. As outlined in the Best Practice Regulation Handbook, a Regulation Impact Statement (RIS) is mandatory for all decisions made by the Australian Government and its agencies that are likely to have a regulatory impact on business or the not-for-profit sector, unless that impact is of a minor or machinery nature and does not substantially alter existing arrangements.

RISs are required to demonstrate that consultation commensurate with the magnitude of the problem and the size of the potential impact of the proposal has been undertaken.