



## Australian Government

### Department of the Prime Minister and Cabinet

ANDREW FISHER BUILDING  
ONE NATIONAL CIRCUIT  
BARTON

Reference: EC16-001975

Mr David Brunoro  
Joint Committee of  
Public Accounts and Audit  
PO Box 6021  
Parliament House  
CANBERRA ACT 2600

Dear Mr Brunoro

Thank you for your letter to the Secretary of the Department of the Prime Minister and Cabinet (PM&C), Dr Martin Parkinson PSM dated 1 November 2016 regarding a Joint Committee of Public Accounts and Audit (Committee) inquiry into Commonwealth Public Sector Governance, based on Auditor-General's report No. 29 (2015-16) (the Report).

Dr Parkinson has asked me to respond to your letter on his behalf.

I have outlined responses to your questions below, adopting the numbering in your letter for ease of reference:

1. Implementation of Recommendation 1 is under discussion with the Government. We hope to be able to provide the Committee with an update on these discussions in the first half of 2017.

On a related issue, I note the Productivity Commission is currently inquiring into Australia's productivity performance, and will make recommendations on reform priorities. The inquiry is the first in a series, to be undertaken at five year intervals. It will:

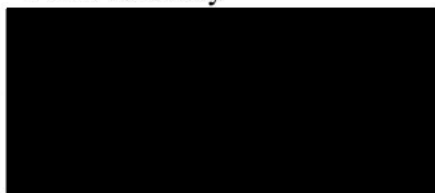
- analyse Australia's productivity performance in both the market and non-market sectors including an assessment of the settings for productive investment in human and physical capital and how they can be improved to lift productivity;
- examine the factors that may have affected productivity growth, including an assessment of the impact of major policy changes, if relevant; and
- develop and prioritise potential policy changes to improve Australian economic performance and the wellbeing of Australians by supporting greater productivity growth.

2. Paragraph 4.8 of the Report notes Ministers agreed in December 2013 that significant regulatory changes – potentially including some red tape reduction measures – would be automatically subject to a post-implementation review (PIR) process within five years of implementation. The PIR process is administered and assessed by the Office of Best Practice Regulation (OBPR). The Government's PIR process is outlined in the PIRs Guidance Note (<http://www.dpmc.gov.au/resource-centre/regulation/post-implementation-reviews-guidance-note>).

Under the Australian Government's PIR requirements, there have been nine PIRs triggered that require completion within five years of implementation. Four of these measures have not yet been implemented. The earliest PIR is due in January 2019. For a full list of PIRs required, please see <http://ris.pmc.gov.au/compliance-reporting/post-implementation-reviews>.

Please feel free to contact me if the Committee has any further questions.

Yours sincerely



Steven Kennedy  
Deputy Secretary

13 December 2016