

Senate Finance and Public Administration Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE
BUDGET ESTIMATES 2015-16

Finance Portfolio
27-28 May 2015

Department/Agency: Department of Finance

Outcome/Program: 2/2.2

Topic: Deregulation Report 2014

Senator: Ludwig

Question reference number: F91

Type of question: Written

Date set by the committee for the return of answer: Friday, 10 July 2015

Number of pages: 2

Question:

I refer you to the Finance Portfolio Annual Deregulation Report for 2014.

www.finance.gov.au/sites/default/files/deregulation-annual-report-finance-portfolio.pdf?v=1

1. On page 3, the document says that no Regulatory Impact Statements (RIS) were completed for the Finance portfolio. On Page 4, the document states that there have been \$72.3m in savings from Deregulatory Measures and \$0 in Regulatory Measures, equalling a net reduction in regulation of \$72.3m.
 - a) When was an RIS last completed?
 - b) Why were there none in 2014-2015?
 - c) Is it unusual to have a year with no RISs having been completed?
 - d) How does the department calculate the costs and benefits of its regulations and deregulations without RISs?
 - e) Has a minister or a representative from the minister's office requested or suggested that RISs should not be completed, or that their completion should be slowed down? If yes: please detail this request.
 - i. When was the request made?
 - ii. Who made the request?
 - iii. What form did the request take? (e.g. email, memo etc).
 - f) Although no RISs were completed, were any commenced or ongoing? If yes,
 - i. Can you provide a list of these? Please include the completion date or expected completion date.
 - g) Given that there were no RISs, how did the department arrive at the figures listed on page 4?
 - i. How and when was this process developed?
2. On Page 6, the document says that a Ministerial Advisory Council (MAC) is under consideration. What is the progress on this proposal?
 - a) How much is it expected to cost?
 - b) When do you expect to have a decision on establishing the MAC?
 - c) Would a MAC replace any existing government stakeholder engagement processes, or just augment them?

- d) Are there any proposals about how people will be appointed to the MAC? If yes, what are they?
3. On page 6, the document says that the AEC is the only entity within the finance portfolio which is considered a regulator for the purposes of the deregulation agenda. What definition does the government use to define a regulator for the purposes of the deregulation agenda?
- a) Is the AEC the only entity within finance that has been asked to look for ways to reduce regulation?
- b) If yes: Do you not consider there's the possibility to save money by reducing compliance burdens in other areas? Page 12 and 13 of the document list 56 pieces of legislation that are administered by the portfolio, not all of which are covered by the AEC. They range from superannuation legislation to the Qantas Sale Act to entitlements Acts for Judges and Parliamentarians. How do these acts not act as regulation?
- c) If no: What other areas are being considered and why are they not covered under the definition as it stands?

Answer:

- 1.
- a) The legislative responsibilities of the Finance portfolio are predominantly internal to government. There are no Finance portfolio RISs published on the Office of Best Practice Regulation's [website](#), which dates back to 2010.
- b) During the reporting period, the Finance portfolio did not have any measures that required the publication of a RIS.
- c) No.
- d) Finance uses the Regulatory Burden Measurement Framework issued by the Department of the Prime Minister and Cabinet to calculate decreases and increases in external red tape for which the Portfolio is responsible.
- e) No.
- f) No.
- g) Red tape savings to businesses and community organisations associated with the following initiatives implemented during the period were calculated using the Regulatory Burden Measurement Framework:
- Commonwealth Contracting Suite – the whole-of-government standard suite of contract and tender documents for procurements under \$200,000;
 - Low risk grant agreement template;
 - Policy for entities to use credit/debit cards as the preferred payment mechanism for transactions under \$10,000; and
 - Exempting Defence Housing Australia from the Public Works Committee.
2. The Minister for Finance responded to questions regarding a ministerial advisory council for the Portfolio at the Budget Estimates hearing on 27 May 2015 (p83 of [Hansard](#) refers).
3. Finance was advised by the Office of Deregulation that the AEC had been classified as a regulator for the purposes of the deregulation agenda.
- a) No. The whole Portfolio is actively seeking opportunities to reduce red tape for businesses and community organisations. The scope to reduce red tape largely falls within changes to the administration of procurement and grants, for which Finance has policy responsibility.
- b) N/A.
- c) Refer response to a) above.