

## Australia

### Overview and recent developments

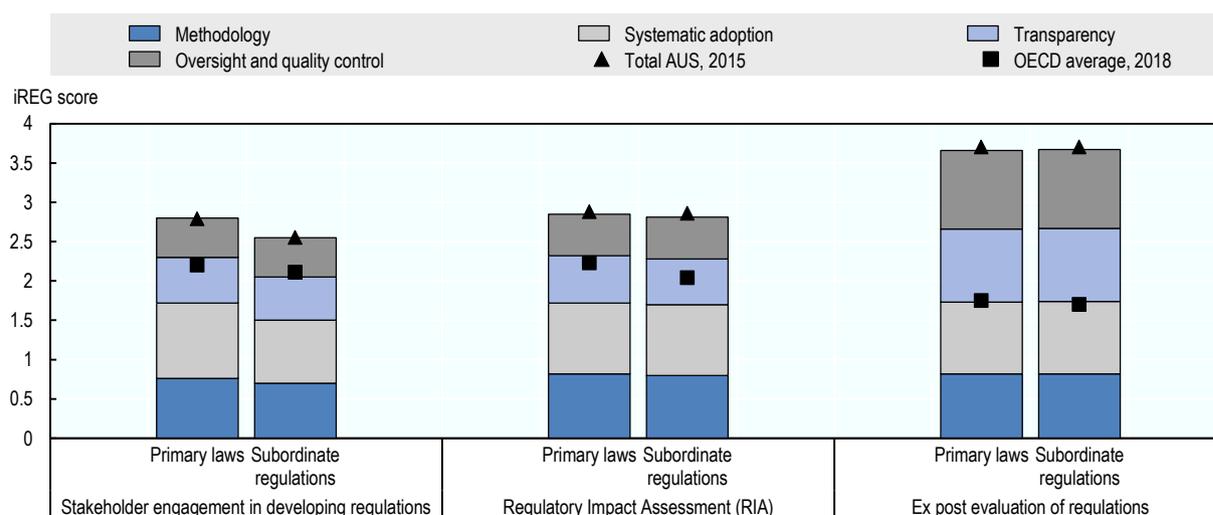
Australia recently released its Annual Regulatory Reform Report: 1 January 2016 – 30 June 2017 which detailed a reduction in net compliance costs of AUD 1.1 billion per year, contributing to a total reduction of AUD 5.9 billion since the introduction of the Deregulation Agenda in 2013. Australia also adopted a Regulator Performance Framework in 2014 under which Federal regulators and departments assess their performance against six key performance indicators. These relate to: reducing regulatory burdens; communication with regulated entities; regulators' actions are proportionate and risk-based; compliance and monitoring procedures are streamlined; regulators are transparent in their actions; and regulators undertake continuous improvement.

Australia continues to have sound regulatory management practices in place, and is working to improve methods that focus on stakeholder engagement and *ex ante* or *ex post* evaluation practices. Australia has permitted regulators more flexibility to offset increased compliance costs for businesses resulting from new regulations. Previously, compliance cost savings needed to be identified with each new regulatory proposal. Australia would benefit from an increased focus on stakeholder engagement prior to a regulatory decision having been made, especially with regards to subordinate regulation.

#### Institutional setup for regulatory oversight

The **Whole of Government Deregulation Policy team** has been relocated to the Department of Jobs and Small Business following recent government administrative changes. It is responsible for systematic improvement and advocacy across government more generally. The **Office of Best Practice Regulation (OBPR)** at the Department of the Prime Minister and Cabinet reviews the quality of all RIAs and provides advice and guidance during their development. Its final assessment of RIAs is made public on a central register. The OBPR can ask departments to revise RIAs where quality has been deemed inadequate. The **Office of the Parliamentary Counsel** is an independent entity which is responsible for scrutinising the legal quality of regulations. Legal scrutiny is also provided by the **Senate Standing Committee for the Scrutiny of Bills** and the **Senate Standing Committee on Regulations and Ordinances** for primary laws and subordinate regulations respectively. The **Australian Productivity Commission** is an independent research and advisory body. It has evaluated Australia's regulatory policy system including RIA, regulator performance and *ex post* evaluations. It has undertaken a number of reviews in specific policy areas or sectors such as consumer affairs, the electricity sector, and the labour market.

## Indicators of Regulatory Policy and Governance (iREG): Australia, 2018



*Notes:* The more regulatory practices as advocated in the [OECD Recommendation on Regulatory Policy and Governance](#) a country has implemented, the higher its iREG score. The indicators on RIA for primary laws only cover those initiated by the executive (88% of all primary laws in Australia).

*Source:* Indicators of Regulatory Policy and Governance Surveys 2014 and 2017, <http://oe.cd/ireg>.

StatLink <https://doi.org/10.1787/888933815395>

## Location of regulatory oversight functions: Australia

Regulatory oversight functions		Centre of government	Ministry of Finance, Economy or Treasury	Ministry of Justice	Other ministries	Non-departmental body	Parliament	Office of the Attorney General	Supreme audit institution	Part of the judiciary
Quality control of...	RIA	●								
	Stakeholder engagement	●								
	Ex post evaluation	●								
Identifying policy areas where regulation can be made more effective						●				
Systematic improvement of regulatory policy		●				●				
Co-ordination of regulatory policy		●								
Guidance, advice and support		●					●			
Scrutiny of legal quality					●		●			

*Notes:* ● indicates that a given regulatory oversight function is covered by at least one body in a particular location. Data present the situation as of 31 December 2017 and do not reflect changes that may have taken place in 2018.

*Source:* Survey questions on regulatory oversight bodies, Indicators of Regulatory Policy and Governance Survey 2017, <http://oe.cd/ireg>.