



Commonwealth-State Impact Analysis status, 2022-23

The Office of Impact Analysis (OIA) publishes Impact Analyses (IAs) – formerly known as Regulation Impact Statements (RISs) - and the OIA’s assessment of each IA on its website as soon as practicable after a regulatory announcement is made, in consultation with the relevant Ministerial Meeting or national standard-setting body (NSSB).

Please note that all Department and Agency names in this report reflect their name at the time the IA was published.

Between 1 July 2022 and 30 June 2023, 13 Commonwealth-State Decision IAs were finalised, assessed as compliant by the OIA and published.

In this period three Commonwealth-State consultation IAs were assessed by the OIA and published.

Contents

Compliance with the Commonwealth-State IA requirements 2017-18 to 2022-23	3
Detailed information on IAs prepared for decision in 2022-23	3
Australia and New Zealand Food Regulation Ministerial Council.....	3
Proposal P1053 – Food Safety Management tools	3
Australian Building Codes Board	4
National Construction Code (NCC) 2022 Residential Energy Efficiency.....	4
Australian Energy Market Commission	4
National Electricity Amendment (Enhancing Information on Generator Availability in MT PASA) Rule 2022 no. 7	4
AEMC – Declared Wholesale Gas Market (DWGM) Distribution Connected Facilities.....	5
AEMC Primary frequency response incentive arrangements.....	5
AEMC Material change in network infrastructure project costs – final determination.....	5
Department of Agriculture, Fisheries and Forestry.....	6
Animal Welfare Standards for Poultry	6
Food Standards Australia and New Zealand.....	6
Proposal P1053 – Food Safety Management tools	6
Health Minister’s Meeting	7
Medical practitioners' use of the title "surgeon" under the National Law	7
NSW Department of Education.....	8
National Qualifications Framework Review	8
Queensland Health	8
Menu Labelling in Australia and New Zealand	8
Safe Work Australia.....	9
Managing the risks of respirable crystalline silica at work.....	9
IAs prepared for consultation in 2022-23	9
Decision-making body: Australian Energy Market Commission.....	10
Material change in network infrastructure project costs	10
Decision-making body: Austroads	10
National Heavy Vehicle Drive Competency Framework Consultation IA	10

Decision-making body: Department of Agriculture, Fisheries and Forestry.....	10
Improving the welfare of horses during land transport.....	10

Compliance with the Commonwealth-State IA requirements 2017-18 to 2022-23

Figure 1. Compliance with the Commonwealth State IA requirements

Stage	2017-18 Ratio	%	2018-19 Ratio	%	2019-20 Ratio	%	2020-21 Ratio	%	2021-22 Ratio	%	2022-23 Ratio	%
Consultation stage ^a	6/6	100	15/15	100	24/25	96	19/20	95	14/14	100	3/3	100
Decision stage	6/6	100	15/15	100	23/25	92	14/15	93	14/14	100	13/13	100

^a The consultation stage figures relate to those decisions at the consultation stage for which a corresponding decision IAS at the decision-making stage has been announced.

Detailed information on IAs prepared for decision in 2022-23

Australia and New Zealand Food Regulation Ministerial Council

Proposal P1053 – Food Safety Management tools

Figure 2. Australian Building Codes Board

Decision Date	Compliant at consultation	Compliant at decision	Final IA published
8 December 2022	Yes	Yes	15 December 2022

While the vast majority of food in Australia is safe, foodborne illness is an ongoing and sometimes serious problem that is largely preventable. Over the past decade, a significant proportion of foodborne illness outbreaks have been linked to food service and related retail businesses. However, the true nature and size of the problem is likely to be much larger as many cases are not reported.

Food Standards Australia New Zealand (FSANZ) has prepared a Decision Impact Analysis (IA) - formerly known as a Decision Regulation Impact Statement (RIS) - which analyses potential reform options to help to address these issues.

Australian Building Codes Board

National Construction Code (NCC) 2022 Residential Energy Efficiency

Figure 3. Australian Building Codes Board

Decision Date	Compliant at consultation	Compliant at decision	Final IA published
1 September 2022	Yes	Yes	12 September 2022

The residential building sector is a major source of energy demand and use. While Australia has made considerable progress in the energy performance of residential buildings, there is still opportunity to implement actions that could further reduce the energy consumption of the sector.

Options the IA examined included:

Maintaining the status quo (which is the required benchmark option in regulatory impact analysis)

Option A: A minimum level of thermal performance equivalent to 7 stars NatHERS, plus a whole-of-home annual energy use budget applicable to the home's space conditioning, hot water, lighting, pool and spa pumps, and on-site renewables (typically rooftop photovoltaics – PV)

Option B: Similar to Option A, but with a larger whole-of-home annual energy use budget, which permits lower performing, energy efficient equipment and/or less PV to be installed. Option A's annual energy use budget is 70 per cent of Option B's.

Australian Energy Market Commission

National Electricity Amendment (Enhancing Information on Generator Availability in MT PASA) Rule 2022 no. 7

Figure 4. National Electricity Amendment (Enhancing Information on Generator Availability in MT PASA) Rule 2022 no. 7

Decision Date	Compliant at consultation	Compliant at decision	Final IA published
18 August 2022	Yes	Yes	18 August 2022

On 15 December 2021, the AEMC received a rule change request from the Australian Energy Market Operator (AEMO). It requested increasing the scope of information that is gathered from generators regarding their availability under the existing medium term projected assessment of system adequacy (MT PASA). The final rule is consistent with the main purpose of PASA by ensuring that participants are sufficiently informed about generator availability to help them make decisions about supply, demand and outages of transmission networks which. The final rule builds on existing MT PASA requirements and actions

one of the Energy Security Board's (ESB) post-2025 recommendations to improve resource adequacy in the National Energy Market.

AEMC – Declared Wholesale Gas Market (DWGM) Distribution Connected Facilities

Figure 5. Declared Wholesale Gas Market (DWGM) Distribution Connected Facilities

Decision Date	Compliant at consultation	Compliant at decision	Final IA published
8 September 2022	Yes	Yes	12 September 2022

The Australian Energy Market Commission (AEMC) has made a final rule to allow distribution connected facilities to participate in the Victorian declared wholesale gas market (DWGM). These facilities will be able to supply natural gas, low-level hydrogen blended gas, biomethane and other renewable gases.

This work addresses that by amending the National Gas Rules (NGR) to also recognise facilities connected at the distribution level.

The changes primarily apply to distribution connected facilities with minor changes being made to existing facilities where a cohesive approach was required.

AEMC Primary frequency response incentive arrangements

Figure 6. Primary frequency response incentive arrangements

Decision Date	Compliant at consultation	Compliant at decision	Final IA published
8 September 2022	Yes	Yes	5 October 2022

On 8 September 2022, the Australian Energy Market Commission (AEMC) published a final determination and a final rule for enduring arrangements to support the control of power system frequency and incentivise plant behaviour that reduces the overall cost of frequency regulation during normal operation

The new incentive arrangements will complement the existing obligation for large generators to support the secure operation of the power system by responding automatically to changes in power system frequency.

AEMC Material change in network infrastructure project costs – final determination

Figure 7. Material change in network infrastructure project costs

Decision Date	Compliant at consultation	Compliant at decision	Final IA published
27 October 2022	Yes	Yes	31 October 2022

The Australian Energy Market Commission announced on 27 October 2022 that they have made a more preferable final rule that seeks to add clarity to the process for determining whether a material change in

circumstances has occurred by requiring certain Regulatory Investment Test (RIT) proponents to develop reopening triggers which, if met, would require the RIT proponent to consider if and how to reconsider the extent to which the previously identified preferred option is likely to remain the most net beneficial option in light of the changed circumstances.

Department of Agriculture, Fisheries and Forestry

Animal Welfare Standards for Poultry

Figure 8. Animal Welfare Standards for Poultry

Decision Date	Compliant at consultation	Compliant at decision	Final IA published
1 August 2022	Yes	Yes	23 August 2022

The three existing Model Codes of Practice (MCOPs) that cover the welfare of domestic poultry (including emus and ostriches) do not reflect contemporary animal welfare science, contemporary industry practices, and new technologies. There is evidence that the MCOPs are inconsistently implemented in states and territories and are largely voluntary rather than mandatory.

The Decision IA considers the impacts of four key policy options:

Option 1: maintain the existing MCOPs.

Option 2: introduce the proposed Standards and Guidelines as voluntary.

Option 3: introduce the proposed Standards as compulsory and Guidelines as voluntary.

Option 4: introduce the proposed Standards as compulsory and Guidelines as voluntary, with an extended phase out period of conventional cages until 2046.

The Decision IA recommends Option 3 as the option which most substantially addresses the policy problem. The Decision IA estimates the costs of implementation to be \$261 million over the next 10 years. At a consumer level, it is expected to cost at most \$1.51 per egg consumer per year.

Food Standards Australia and New Zealand

Proposal P1053 – Food Safety Management tools

Figure 9. Proposal P1053 – Food Safety Management tools

Decision Date	Compliant at consultation	Compliant at decision	Final IA published
8 December 2022	Yes	Yes	15 December 2022

Food Standards Australia New Zealand (FSANZ) has prepared a Decision Impact Analysis (IA) - formerly known as a Decision Regulation Impact Statement (RIS) - which analyses potential reform options to help to address these issues. These options include:

Option 1: Maintaining the status quo such that the current regulatory environment would continue;

Option 2: Self-regulation, which would involve food businesses putting their own systems that are not subject to regulatory oversight in place to improve food safety;

Option 3: Regulate one or more food safety management tools. The sub-options identified include:

Option 3.1: Requiring a certified food safety supervisor, and food handler staff to complete food handler training; and

Option 3.2: Requiring a certified food safety supervisor, food handler staff to complete food handler training, and evidence to substantiate food safety management.

The preferred option identified by the Decision IA is a targeted regulatory approach that applies food safety management tools based on risk, cost-benefit and appropriateness, that is:

Option 3.2 for Category 1 businesses (food service businesses, such as caterers, restaurants, takeaway; and retailers who make and serve potentially hazardous food);

Option 3.1 for Category 2 businesses (retailers of unpackaged ready-to-eat, potentially hazardous food); and

No additional regulatory measures for Category 3 businesses (retailers of pre-packaged ready-to-eat, potentially hazardous food).

Health Minister's Meeting

Medical practitioners' use of the title "surgeon" under the National Law

Figure 10. Medical practitioner's use of the title "Surgeon" under the National Law

Decision Date	Compliant at consultation	Compliant at decision	Final IA published
14 Dec 2022	Yes	Yes	20 Dec 2022

The Decision Impact Analysis (IA) provides an analysis of the regulatory impacts of title restriction and alternative options, and recommends a preferred option. The Decision IA follows a Consultation IA - formerly known as a Consultation RIS - released in December 2021 that explained the current regulatory framework and the potential issues that may be arising from it, and sought feedback on the potential reform options.

NSW Department of Education

National Qualifications Framework Review

Figure 11. National Qualifications Framework Review

Decision Date	Compliant at consultation	Compliant at decision	Final IA published
10 June 2022	Yes	Yes	8 July 2022

The National Quality Framework (NQF) provides a national approach to the regulation of the quality of education and care services across Australia. The review identified three areas for improvement to ensure the NFQ continues to support quality, safe early childhood education: poor information accessibility; administrative and regulatory compliance burdens; and unacceptable hazards or risks to children. In December 2018, Commonwealth, state and territory education ministers agreed to commission the review to ensure the NFQ is fit for purpose and complies with best practice regulatory standards.

Queensland Health

Menu Labelling in Australia and New Zealand

Figure 12. Queensland Health

Decision Date	Compliant at consultation	Compliant at decision	Final IA published
25 November 2022	Yes	Yes	1 June 2023

The Decision RIS assessed options for enhancing menu labelling to facilitate informed purchase decisions by providing all Australians and New Zealanders with access to information at the point-of-sale about the energy content of ready-to-eat food and drinks.

Four options for developing a food regulatory measure in the Australia New Zealand Food Standards Code were considered:

Option 1 (Status quo): Allow jurisdictions to choose how to implement menu labelling that is consistent with the 2011 Principles.

Option 2: Encourage all jurisdictions to consistently implement menu labelling schemes in their own legislation, in accordance with amended Principles.

Option 3: Develop a mandatory food regulatory measure for menu labelling in the Australia New Zealand Food Standards Code.

Option 4: Encourage industry to voluntarily implement enhancements to menu labelling.

In addition, consumer education about kilojoules, ready-to-eat foods, making healthier food purchase choices, and using menu labelling is proposed to complement any of the options.

Option 3 was the recommended option.

Safe Work Australia

Managing the risks of respirable crystalline silica at work

Figure 13. Managing the risks of respirable crystalline silica at work

Decision Date	Compliant at consultation	Compliant at decision	Final IA published
28 Feb 2023	Yes	Yes	1 Mar 2023

Workers in a broad range of industries including manufacturing, stonemasonry, construction, tunnelling, demolition, mining and quarrying are exposed to respirable crystalline silica (RCS). In 2011, an estimated 6.6 per cent of Australian workers were exposed, and 3.7 per cent of workers were heavily exposed, to RCS. There are also multiple reports of personal exposure above the current workplace exposure standard across industry sectors, where adequate engineering controls are not employed. Stakeholder consultation highlighted that a lack of awareness of the risks associated with RCS and a lack of clarity on how to comply with the model WHS laws contributes to the number of cases of silicosis and silica-related diseases.

The Decision IA considers the following options to address the outlined problem:

- national awareness and behaviour change initiatives
- national licensing framework for persons conducting a business or undertaking (PCBU) working with engineered stone
- regulation of high risk crystalline silica processes for all materials, including engineered stone
- regulation of high risk crystalline silica processes for all materials other than engineered stone
- a prohibition on engineered stone

The Decision IA recommends national awareness and behaviour changes activities, and regulation of high-risk crystalline silica processes for all materials (including engineered stone). The Decision IA recommends further analysis and consultation with industry is required to understand the impacts of a prohibition on engineered stone.

IAs prepared for consultation in 2022-23

The following consultation IAs have been published for consultation in 2022-23.

Decision-making body: Australian Energy Market Commission

Material change in network infrastructure project costs

Closing date: 1 September 2022

This determination process responds to concerns with the implementation of the Regulatory Investment Test (RIT) process, which is a form of cost benefit analysis. The purpose of the RIT is to identify network investments that maximise the present value of net economic benefits in the market. Before investing in a significant transmission or distribution project to meet an identified need on the network, a proponent must consider all credible options (including potential non-network solutions) to meet that need, before selecting the option that maximises the net economic benefit across the market.

Under existing arrangements, the RIT must only be reapplied where, in the reasonable opinion of the project proponent, there has been a material change in circumstances. However, there are examples of where the RIT has not been triggered, despite significant increases in transmission costs.

The draft rule aims to provide clarity on the process for determining whether a material change in the circumstances has occurred for the RIT. In addition, the rule also seeks to improve cost estimate accuracy by clarifying the rules governing the guidelines for RITs in order to support strengthened guidelines for cost estimate development.

Decision-making body: Austroads

National Heavy Vehicle Drive Competency Framework Consultation IA

Closing date: 28 October 2022

The National Heavy Vehicle Driver Competency Framework (NHVDCF) was developed collaboratively by governments to establish minimum competency and assessment standards for heavy vehicle drivers across Australia. It is intended to provide a framework that is adopted by all Jurisdictions in their heavy vehicle licensing regimes to ensure a nationally consistent approach to heavy vehicle driver training and competency assessment. Reforms to the NHVDCF aim to deliver improved road safety outcomes whilst supporting the use of high productivity vehicles. The proposal also seeks to provide reasonable access to heavy vehicle licences for social and personal use.

Decision-making body: Department of Agriculture, Fisheries and Forestry

Improving the welfare of horses during land transport

Closing date: 28 October 2022

Horse welfare issues during transport were brought to the attention of regulators, stakeholders and the community after the ABC's 7.30 program 'The Final Race' aired in October 2019. Footage of horses, including retired thoroughbred and standard bred horses, treatment at a Queensland abattoir raised serious

questions about the welfare and management of horses, including their transport across Australia. These incidents often relate to horses that have been transported loose in the back of a truck or trailer, and as a result, have sustained serious injuries or are dead at the time of unloading. Other horses arrive in poor condition. Problems including traumatic injuries, transport-related diarrhoea, heat stroke, muscular problems, colic, pneumonia and laminitis are also evidenced by data on animal welfare incidents involving horses in professional and amateur racing, equestrian sport, endurance racing, horse breeding and recreational non-competitive sectors. Risks to horses during transport have also been identified by experienced Australian equine veterinarians. Current regulatory requirements do not fully align with current science.

The Queensland Department of Agriculture and Fisheries, on behalf of the national Animal Welfare Task Group, has prepared a consultation Impact Analysis (IA) – formerly known as a Consultation Regulation Impact Statement (RIS) – to explain the current regulatory framework and the potential issues that may be arising from it. The Consultation IA also proposes potential reform options which may help to address these issues.