



Australian Government

Department of Finance and Deregulation
Office of Best Practice Regulation

Reference: 13944

Senator the Hon Eric Abetz
Leader of the Opposition in the Senate
Shadow Minister for Employment and Workplace Relations
Liberal Senator for Tasmania

Dear Senator Abetz

Application off the Government's best practice regulation requirements to the Building Code 2013

I refer to your letter of 7 March 2013 relating to the application of the Government's Regulation Impact Statement (RIS) requirements to the Building Code 2013.

As you would be aware, RISs are required for regulatory proposals that are likely to have an impact on business or the not-for-profit sector, unless the impact is minor or machinery in nature. The Office of Best Practice Regulation (OBPR), a division within the Department of Finance and Deregulation, independently decides whether a RIS is required for a given policy proposal.

The OBPR bases its assessment of whether a proposal is likely to have an impact on business or the not-for-profit sector on information provided by the department developing the policy. After the information is provided by the department, the OBPR often enters into further discussions with the department to ascertain the likely impact.

The OBPR was contacted by the Department of Education, Employment and Workplace Relations in May 2012 and was provided with information about the likely impact of the Building Code 2013. The Department informed the OBPR that the proposed changes were likely to have only a minor impact on business as the Code would merely codify the existing Australian Government Implementation Guidelines for the National Code of Practice for the Construction Industry, and that the proposed legislative Code would not impose any new policy or obligations on industry. Based on this information, the OBPR assessed that a RIS was not required as it was likely that the changes would have a minor impact on business.

The Government's best practice regulation requirements state that, if required, a RIS is to be prepared and assessed as adequate by the OBPR to inform the decision by Government. As such, while the OBPR is able to change its assessment of whether a RIS is required for a proposal at any point prior to decision, it is unable to reassess its advice after the decision has been made.

You may wish to contact the Department of Education, Employment and Workplace Relations to gain an understanding of their view that these changes are likely to have a minor impact on business.

Yours sincerely



Jason McNamara
Executive Director
Office of Best Practice Regulation
2 May 2013