



Deputy Secretary
Dr Subho Banerjee

Mr Tony Simovski
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Dear Mr Simovski

Regulation Impact Statement – final assessment second pass

I am writing in relation to the attached Regulation Impact Statement (RIS) prepared for the changes to the VET FEE-HELP loan scheme. Thank you for your recent first pass assessment of the RIS. The regulatory burden to business, community organisations and/or individuals has been quantified using the Regulatory Burden Measurement framework. These have been agreed with your office.

I am satisfied that the RIS addresses the key issues raised in your letter of 13 August 2015. The RIS has been substantially revised in line with your suggestions. Changes made to the RIS as a result of your letter include:

- 1. Clarifying the nature and magnitude of the problem, including the extent of regulatory failure.**
 - The '*Description and Scope of the Problem*' section of the RIS now includes more clearly defined information about the nature and magnitude of the identified issues. The need for government action has also been further clarified to focus on the end purpose of the reforms.
- 2. Adding deeper analysis on the likely impacts on affected stakeholders and on competition in the vocational education training market**
 - The RIS includes more analysis on the likely impacts of each option on industry, consumers and the government. It also includes a discussion of the risk-based approach to regulation in the context of the options and broader net benefits

Opportunity through learning

3. Presenting the views of stakeholders on the options examined.

- The views of different stakeholder groups on the options examined have been included in the 'Stakeholder Consultation' section of the RIS.

4. Clearly outline the preferred policy option and show how it has the greatest net benefit

- The RIS identifies the best option, including the net benefit of the option, from those considered.

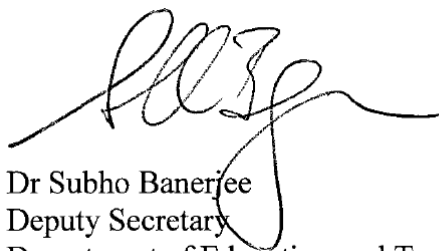
5. Include a summary of the major decision points in the RIS

- Information on the major decision points is included in the 'Implementation' section of the RIS.

Accordingly, I am satisfied that the RIS is compliant consistent with the Australian Government Guide to Regulation.

I submit the RIS to the Office of Best Practice Regulation for formal final assessment.

Yours sincerely



Dr Subho Banerjee
Deputy Secretary
Department of Education and Training
9 September 2015