



Australian Government

Department of the Prime Minister and Cabinet Office of Best Practice Regulation

Reference: 14851
Contact: Stephen Wills
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Mr Mark Tucker
Deputy Secretary
Department of Agriculture

Dear Mr Tucker

Details-stage Regulation Impact Statement - Regulations for Sweet Potato Marketing Levy

Thank you for your letter dated 5 December 2013 regarding the draft Regulation Impact Statement (RIS) for the Sweet Potato Levy .

The RIS contains an adequate level of analysis and meets the Government's best practice regulation requirements . I note that the RIS has been formally certified as required by the best practice regulation requirements . I also confirm that the Office of Best Practice Regulation (OBPR) agrees with your assessment that the compliance costs for this proposal are likely to be minimal (in the order of \$432) with offsets achieved by encouraging levy collection agents to submit their returns on-line.

The degree of detail and depth of analysis in the RIS is considered commensurate with the magnitude of the problem and the size of the potential impact of the proposal. The OBPR considered that this RIS was a 'D' category RIS, reflecting that the issue was of relatively minor significance in the economy without material competition impacts.

I note the problem outlined in the RIS relates to small scale businesses not having the capacity to invest in marketing and promotion activities, which has the potential for underinvestment in industry-wide marketing.

The preferred option is to establish a statutory marketing levy at a rate of 1% of the sale price on all sweet potato sales, collected at the first domestic point of sale and on the export of sweet potatoes. The main benefit is that the levy provides funds towards marketing priorities as identified in the Australian Sweet Potato Growers Association strategic marketing plan.

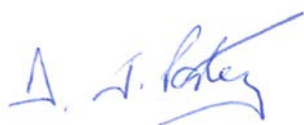
The RIS also included an appropriate range of options comprising the status quo, voluntary contributions, weight based levies and staged increases in levies. The OBPR considers that,

given the impacts, the options were adequately assessed and that the conclusion recommending introduction of a levy was supported by analysis in the RIS.

The OBPR maintains a RIS website and the Government requires that RISs be posted within 5 business days of a regulatory decision being publicly announced. Accordingly, we would appreciate you advising us when a decision on this proposal is announced. The website provides a public comment facility on RISs posted on the site. The OBPR moderates this facility for offensive content but does not moderate debate. We note that the RIS is in a form meeting the Australian Government's *Web Content Accessibility Guidelines*.

Please retain this letter as a record of the OBPR's advice. If you have any further queries, please do not hesitate to contact Mr Stephen Wills on 6215 2867.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'D. J. Porter', with a stylized flourish at the end.

Darrell Porter
Deputy Executive Director
Office of Best Practice Regulation

9 December 2013