

Ref: FC17-000081

Ms Tania Cvijanovic
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Dear Ms Cvijanovic

Tea tree oil levy regulation impact statement – final assessment second pass

I am writing in relation to the attached regulation impact statement (RIS) prepared for establishing a levy and charge on tea tree oil.

With the agreement of the OBPR, the regulatory burden to business has been assessed by the department according to the regulatory burden measurement framework as \$2,103.

The recommended option increases the regulatory compliance burden for the agriculture and water resources portfolio. I warrant that the portfolio's net regulatory target will be met by the end of the relevant reporting period that this RIS relates to.

I am satisfied that the RIS addresses the suggestions raised in your letter of 20 March 2017. Specifically, text was added clarifying the market failure due to the small number of producers, reducing the uncertainty of available research and development funding, and on additional details of consulting potential levy payers and the few concerns raised.

Accordingly, I am satisfied that the RIS now meets best practice 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

David Williamson Deputy Secretary

Department of Agriculture and Water Resources

3 March 2017