



Australian Government
**Department of Industry, Science,
Energy and Resources**

Deputy Secretary

Mr Jason Lange
Executive Director
Office of Best Practice Regulation
1 National Circuit
BARTON ACT 2600

By email: helpdesk-OBPR@pmc.gov.au

Dear Mr Lange

Regulation Impact Statement – Changes to the Regulatory Framework Applying to the Franchise Sector – Second Pass Final Assessment

I am writing in relation to the attached Regulation Impact Statement (RIS) prepared for the changes to the regulatory framework applying to the franchise sector (OBPR ID 25083). I thank you and your office for the swift response to the RIS during the first-pass final assessment process.

I am satisfied that the RIS addresses the concerns raised in your letter of 11 August 2020. Specifically, we have provided additional clarification of the limitations of franchising data available to the Government, including for aggregate statistics on franchisee financial loss, and the breakdown by industry sector of franchise sector complaints.

The total regulatory burden to business, community organisations and/or individuals has been quantified at \$3.92M per year, and a regulatory offset of \$3.12M per year was identified. The net regulatory costs are \$800,000 per year.

Accordingly, I am satisfied that the RIS is now consistent with the six principles for Australian Government policy makers as specified in the *Australian Government Guide to Regulatory Impact Analysis*.

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

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Elizabeth Kelly', with a long, sweeping flourish extending to the right.

Elizabeth Kelly
Deputy Secretary
Department of Industry, Science, Energy and Resources
12 August 2020