

Mr Jason Lange  
Executive Director  
Office of Best Practice Regulation  
Department of the Prime Minister and Cabinet  
1 National Circuit  
BARTON ACT 2600

Dear Mr Lange

## **Regulation Impact Statement – Online Safety Reform – Final Assessment**

I am writing in relation to the attached Regulation Impact Statement (RIS) prepared for the Australian Government's proposed reforms to the existing online safety framework through the development of a new online safety Act.

I consider the RIS meets the requirements set out in the *Australian Government Guide to Regulatory Impact Analysis* and is consistent with the six principles for Australian Government policy makers.

In particular, I note that the RIS addresses the seven RIS questions:

- **What is the policy problem you are trying to solve?** Online safety reforms will seek improvements to Australia's existing online safety framework in order to respond to new regulatory challenges, and improve how the eSafety Commissioner is able to address online harms experienced by Australians.
- **Why is government action needed?** Government action is needed as Australians are increasingly exposed to harms online. Industry self-regulation has been ineffective in taking action to address online safety concerns, and industry is seeking government leadership on some issues. Online safety reforms will also allow government to keep pace with international developments in online safety. A failure to improve Australia's online safety framework will result in continued harm being done to individuals, the community and the economy.
- **What policy options are you considering?** Three options are presented in the RIS. The first option is a new online safety Act with no regulatory changes, the second option is a new online safety Act with improvements to existing schemes, including the development of an industry code requirement for businesses to provide an opt-in filtered internet service to customers. The third option is a new online safety Act with both improvements to existing schemes, and new schemes to help keep Australians safe online.
- **What is the likely net benefit of each option?** The benefits of each option are articulated in the RIS. The first option provides minimal benefits to the community, and the second option provides some benefits to the community. The preferred option (option 3) provides considerably more benefit to the community through the development of new schemes that more adequately respond to online harms experienced by Australians.
- **Who did you consult and how did you incorporate their feedback?** A period of public consultation on proposals for a new online safety Act were held between 11 December 2019 and 19 February 2020. Details of how consultation occurred, and the outcomes of this consultation are outlined in page 34 to 37 of the RIS.

- **What is the best option from those you have considered?** The Government's preferred option is the third option, which is a new online safety Act with new and improved schemes. This option provides the greatest level of protection for Australians from online harms. The measures in this option would have a relatively low regulatory impact, in contrast to the significant benefits that the measures would provide the community and the economy.
- **How will you implement and evaluate your chosen option?** If passed by Parliament, the proposed new online safety Act would come into effect on 1 July 2021. Prior to implementation, the Department of Infrastructure, Transport, Regional Development and Communications (the Department), and the eSafety Commissioner would lead a program of extensive stakeholder engagement to familiarise stakeholders with their new regulatory obligations. Following the measures coming into effect, the new Act would be reviewed three years after coming into effect.

I confirm the RIS identifies the regulatory costs of each option, and note that the Department will continue to work to identify regulatory offsets for the proposed online safety reforms due to the minor net regulatory increase of the proposals. I also note that this is the first major decision point for the RIS.

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

If you have any further queries, please do not hesitate to contact me.

Yours sincerely



Bridget Gannon  
A/g Assistant Secretary  
Department of Infrastructure, Transport, Regional Development and Communications  
14 August 2020