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

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

Email: helpdesk-OBPR@pmc.gov.au

Dear Mr Lange

Regulation Impact Statement for Early Assessment

I am writing in relation to the attached Regulation Impact Statement (RIS) prepared for the Measurement Law Review (the review).

I believe 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.

My Department has worked with officers from the Office of Best Practice Regulation to ensure that it provides stakeholders with key information on the review's purpose, options, costs and benefits. We intend to use this RIS to consult widely with the public and affected stakeholders to inform the final RIS and government's consideration of the options for the review.

In particular, the RIS addresses the first four RIS questions:

- What is the problem? – Australia's measurement legislation requires review to ensure it continues to support confidence in measurement, and modernisation to adapt to advancement in technology and the evolving needs of industry.
- Why is government action needed? – Without change, the measurement legislation will become increasingly outdated, limit innovation and growth, and impact Australia's ability to maintain its international standing and obligations. The private sector is unable to ensure a level playing field for industry and consumers to operate within.
- What policy options are you considering? – The RIS puts forward three options for regulatory reform alongside the status quo for comparison. They are:
 - Option 1 – 'Streamline with minimal change': streamline the legislation and reduce prescription by taking a principles-based approach, with limited change in scope.
 - Option 2 – 'Flexible and future focussed': Option 1, plus further regulatory reduction by significantly increasing the flexibility and support for innovation.
 - Option 3 – 'Flexible with additional regulatory powers': Option 2, plus appropriate powers to help regulate measurements relied upon by other regulatory policy owners.

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The RIS also discusses a potential deregulation option and concludes that it is not suitable for further consideration. In summary, this approach would be detrimental to Australia's international standing, increase risk to the community and reduce confidence in measurement (particularly for trade).

- What is the likely net benefit of each option? – The RIS considers regulatory burden and stakeholder impacts across five key stakeholder groups: consumers, measuring instrument manufacturers, authorised third parties, wholesalers/retailers/importers/packers, and government regulators. The RIS seeks feedback on analysis that shows:
 - Option 2 has the greatest alignment with key policy principles and provides the greatest net benefit to affected stakeholders. It provides a strong overall combination of changes to reform the measurement framework and maintain it into the future, and the equal highest quantifiable reduction in regulatory burden (\$8.4m).
 - While option 3 provides many of the same benefits as option 2, including strong regulatory reform and an equal highest quantifiable reduction in regulatory burden (\$8.5m), it also has additional unquantifiable regulatory burdens when compared to option 2.
 - Option 1 maintains an overall positive impact on stakeholders but has a lesser degree of alignment with key policy principles, and results in a lower quantifiable reduction in regulatory burden (\$8.5m). Option 1 also has a greatly reduced ability to support innovation over time.

In addition:

- the RIS contains an appropriate consultation plan; and
- the change in regulatory burden on business, community organisations and/or individuals has been quantified using the Regulatory Burden Measurement framework where possible or based on alternative costings tested with the Office of Best Practice Regulation.

I submit the certified RIS to the Office of Best Practice Regulation for early assessment, consistent with best practice.

Yours sincerely



Jo Evans

Deputy Secretary
Department of Industry, Science, Energy and Resources
23 April 21