



**Australian Government**

**Department of Health**

**Deputy Secretary**

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

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Dear Mr Lange

**Certification of independent reviews in lieu of a Regulatory Impact Statement:  
Care Workforce Reform - National Care and Support Worker Regulation**

This letter certifies that the Productivity Commission report, the *National Disability Insurance Scheme Costs*, released on 19 October 2017, and the *A Matter of Care – Australia’s Aged Care Workforce Strategy* Report, released in June 2018, have undertaken similar processes and analyses to that required for a Regulation Impact Statement (RIS), as set out in the *Australian Government Guide to Regulation*. This built upon previous consultation and analysis undertaken by the Productivity Commission, as detailed below.

The introduction of the National Disability Insurance Scheme (NDIS) was informed by thorough analysis that showed the significant benefits of a national scheme. This was followed by the 2017 Productivity Commission report into NDIS Costs that identified factors that were inhibiting the efficiency of the disability care sector, and suggested further reforms to improve whole-of-economy care outcomes across the broader care sectors. In particular, the report recommended Government focus on areas that affect demand and supply of workers from an economy-wide perspective (p. 339). Screening arrangements, thin markets, and a lack of market information were identified as key impediments to labour market growth (pp. 2, 36, 38). This aligned with the analysis conducted by the 2006 Productivity Commission report, *Rethinking Regulation*, for the Taskforce on Reducing Regulatory Burdens on Business, which recommended the development and adoption of minimum effective national standards for licensing and registration across a range of industries and sectors (Recommendation 4.33).

Complementary work undertaken by the Productivity Commission in 2011 resulted in the report *Caring for Older Australians*, which clearly identified the need to improve regulatory settings and better align the interface between the NDIS and the aged care sector (Recommendation 9.7).


The 2018 report by the Aged Care Workforce Strategy Taskforce recommended centralising registration for all care staff and volunteers, and standardising workforce architecture to strengthen the industry-wide employee value proposition (p. 42). Further, the Department of Health engaged in extensive industry consultation in 2019-20, confirming industry views that for programs, such as worker screening, it is better to leverage off NDIS worker screening rules.

I certify that the reports by the Productivity Commission and the 2018 Aged Care Workforce Strategy Taskforce have adequately addressed all seven RIS questions. The total regulatory impact on businesses, community organisations and individuals of measures associated with both of these reviews has been quantified according to the Australian Government's Regulatory Burden Measurement framework. The estimated net reduction in annual regulatory burden is provided below.

Average annual regulatory costs (from business as usual)			
Change in costs	Business and Community Organisations	Individuals	Total change in cost
Total, by sector	-\$12.496m	-\$9.396m	-\$21,892m

I am satisfied that the Productivity Commission reports, complemented by the Aged Care Workforce Taskforce report, meet best practice, consistent with the *Australian Government Guide to Regulation*.

Yours sincerely



Michael Lye  
Ageing & Aged Care

3 March 2021