



Ms Joanna Abhayaratna
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Office of Impact Analysis
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Dear Ms Abhayaratna

**IMPACT ANALYSIS – REFORMS TO NON-COMPETES AND OTHER WORKER
RESTRAINTS – SECOND PASS FINAL ASSESSMENT**

I am writing in relation to the attached Impact Analysis (IA) prepared for Reforms to Non-Competes and Other Worker Restraints.

I am satisfied that the IA addresses the concerns raised in your letter of 29 September 2025. Specifically, the IA now has a more detailed assessment of the qualified costs and benefits, an updated regulatory burden estimate, and a more detailed and clear evaluation plan.

In relation to Question 4 (*What is the likely net benefit of each option*), a more detailed cost-benefit analysis has been provided including, where possible, the quantification of individual costs and benefits based on domestic data and international evidence. This includes improved linkages between empirical studies using recent reforms to restraints of trade in other international jurisdictions and how it is transferrable to the Australian context, with updated references included. The estimates of regulatory burden and savings have also been updated to be more comprehensive.

In relation to Question 5 (*Who did you consult and how did you incorporate their feedback*), further discussion is provided on what was heard from stakeholders, specifically from the 2024 Issues Paper and 2025 Consultation Paper, and how that feedback informed the different policy options.

In relation to Question 7 (*How will you evaluate your chosen option against the success metrics*), a clear evaluation plan has been provided that includes identifying key responsibilities for data collection (subject to resource prioritisation), establishing evaluation questions linked to the overall objectives of the policy, and identifying key decision milestones after implementation.

The regulatory burden to business, community organisations or individuals is quantified as a one-off direct familiarisation cost of \$46.4 million to businesses to understand the

proposed reforms. However, this is expected to be significantly offset by ongoing regulatory compliance savings from improved legal certainty.

Regulatory burden estimate table

One-off direct familiarisation cost				
Change in costs (\$ million)	Business	Community organisations	Individuals	Total change in costs
Total, by sector	\$ 46.4 million	\$ 0	\$ 0	\$ 46.4 million

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

I submit the IA to the Office of Impact Analysis for formal final assessment.

Yours sincerely



James Kelly
Deputy Secretary - Markets Group
The Department of the Treasury
24 October 2025