

# Response to the South Australian Productivity Commission Inquiry into Reform of South Australia's Regulatory Framework

January 2022



Government  
of South Australia

# Foreword

*Regulation can help protect the health and safety of the community—as so graphically shown during the COVID-19 pandemic—protect our environment and make the economy work better.*

*However, poorly designed and inefficiently administered regulations can impose unnecessary burdens on businesses, consumers and the economy more broadly.*

Regulation is an area of direct influence for the state government and one where targeted action can remove unnecessary barriers to economic activity and foster new and innovative approaches to development of the state's economy.

While in recent years some jurisdictions have recognised the need to reform and modernise their regulatory systems with the objective of promoting improved productivity and greater economic activity, it has been some time since SA last embarked on a similar reformist journey.

It is for these reasons that in early 2021 I tasked the South Australian Productivity Commission with evaluating reforms in other jurisdictions and best practice internationally to assess how SA is performing in relative terms and identify areas for reform. Lessons from the very agile and timely regulatory responses to COVID-19 were also to be considered.

I am pleased to report that the Commission has found that while there some opportunities for improvement, the current regulatory framework has served our state well.

This response is focused on those areas recommended as in need of greatest improvement notably the regulatory policy development process, and post implementation reviews. It also builds on positions of strength such as making it easier to do business through digital initiatives, and in supporting innovative regulatory responses to new and emerging technologies and industries.

The government has not supported the Commission's recommendation to establish a centralised de-regulation unit as in other jurisdictions. Instead, the government will focus on strengthening current arrangements, and the primacy of ministerial accountability and Cabinet processes. Greater use will be made of existing performance measurement and reporting frameworks for driving improved regulator performance until new reforms in other jurisdictions are fully assessed.

Overall, the government has accepted the majority of the recommendations either in full or with partial support.

I look forward to the benefits flowing to business and therefore the economy, as we implement the recommended improvements to the state's regulatory framework.



**Hon Steven Marshall MP**  
Premier of South Australia

# Introduction

*On 29 January 2021, the Premier wrote to the South Australian Productivity Commission (the Commission) requesting that an inquiry be undertaken into modern regulation. The task was to identify regulatory reforms to better support investment, employment and productivity growth in South Australia.*

The inquiry focus was on South Australian Government regulations that are principally directed at, or principally affect businesses, with a focus on start-up, expansion and entry into interstate and overseas markets.

In developing its recommendations, the Commission was expected to have regard to the resource implications and implementation timeframes.

In response to the request from the Premier, the Commission delivered the Inquiry into Reform of South Australia's Regulatory Framework Final Report (the Final Report), which sets out the Commission's understanding of the issues relating to the current framework and makes 13 primary recommendations to improve the state's regulatory framework.

Overall, the Commission found that "while there are some shortfalls from Organisation for Economic Co-operation and Development (OECD) best practice, the overall regulatory framework serves the state well".

The Commission also provided evidence to show that regulatory activity is lower in SA than in Victoria, and that there are fewer licensing requirements in SA's Growth State industries than in all other jurisdictions except Queensland.

Nonetheless, the Commission identified areas for reform, and concluded that the area in greatest need of reform is the regulatory policy development process. The government has already committed to improvements in this area, including improved guidance and support to agencies for regulatory impact assessment.

The government also has an ongoing commitment to digital systems enhancement and supports the Commission's recommendations in this respect.

The government's full response to the Commission's recommendations is provided in the next section, including high-level implementation plans.

## **Government response**

The Commission's recommendations to government below are re-printed verbatim from the Commission's Final Report.

# Recommendation 2.1: Developing regulatory programs for Cabinet

*To improve the efficiency and effectiveness of regulation development processes and the quality of regulatory proposals to Cabinet, the Commission recommends that the SA Government strengthen governance, policy guidance and policy capabilities by:*

**2.1.1**

**Supported**

Committing to an across government policy to support regulatory quality, drawing on the OECD's better practice principles, to ensure that the economic, social and environmental benefits of business regulation justify the costs and that distributional effects are considered in order to maximise the net benefits of regulation

## **Response**

The government is committed to the *OECD Best Practice Principles for Regulatory Policy - Regulatory Impact Assessment* (2020) and has reviewed its 2011 Better Regulation Handbook against these principles. The review has also taken account of the Commission's recommendations with respect to developing regulatory proposals for Cabinet. The outcome of the review is an updated handbook which provides a guide to policy makers in critically examining, designing, consulting on and implementing regulation, as well as evaluating existing regulation.

The new publication, *Better Regulation Handbook 2022 – How to design and review regulation, and prepare a regulatory impact statement* is available on the Department of the Premier and Cabinet (DPC) website.

**Completed**

## 2.1.2

Supported

### Strengthening the Cabinet Office's gatekeeper role in respect of its responsibilities under the Regulation Impact Assessment (RIA) framework

#### Response

Individual portfolio Ministers will continue to retain full accountability for the quality of their regulatory regimes they administer, including new regulatory proposals.

Cabinet Office's gatekeeper role will continue to be two-fold:

- to provide advice on the regulatory impact assessment requirements of the new Better Regulation Handbook; and
- sign-off on regulatory impact statements (RISs) prior to or as part of the Cabinet Office Comment, which is required for Cabinet submissions. The sign-off is to provide a level of assurance to the Cabinet Secretary that the RIS is adequate for supporting a sound decision on the proposed regulatory initiative.

Ultimately it will be Cabinet that makes the decision on a new regulatory proposal based on all the available evidence including the RIS.

#### Implementation Plan

- Cabinet Office will communicate the respective roles of Ministers, agencies and Cabinet Office on release of the revised Better Regulation Handbook.

Complete by 31/03/2022

## 2.1.3

Supported

### Increasing agency adherence to the RIA framework through provision of improved guidance material and coordination of training by Cabinet Office

#### Response

Cabinet Office publishes guidance to complement the Better Regulation Handbook. This guidance supports agencies in their efforts to prepare high quality regulatory proposals for Cabinet's consideration. It is timely to review and refresh Cabinet Office guidance to ensure it offers both current and useful advice to agencies.

#### Implementation Plan

Cabinet Office will review current guidance materials and revise and supplement as necessary to complement and support the new Better Regulation Handbook.

Cabinet Office will also develop and coordinate support, both for policy officers in Cabinet Office, and external agencies.

Complete by 30/06/2022

## 2.1.4

Partially supported

Establishing a central agency support and advisory function to enhance agencies' capacity to undertake effective regulatory policy development and impact assessment (see recommendation 6.3)

### Response

The government does not support the establishment of a central unit as recommended as this would require the allocation of additional resources, away from existing priorities.

The government is also of the view that the primary responsibility for ensuring good regulatory policy lies with Ministers and their agencies.

Central agencies will continue to provide direct support to agencies in undertaking regulatory impact assessment; Cabinet Office for advice to agencies on whether a RIS is required, and guidance through the RIA/RIS process; and

DTF for advice on cost benefit analysis. Further support will be provided through provision of improved guidance materials and training for policy officers involved in ex ante and ex post evaluation of regulatory proposals, plus upskilling of Cabinet Office policy officers.

### Implementation Plan

As per the response to Recommendations 2.1.1 to 2.1.3.

Complete by 30/06/2022

## 2.1.5

Supported

Developing and implementing a strategy to build public sector expertise in regulatory policy development and review, including through establishment of communities of practice for policy makers (see recommendation 6.1)

### Response

Public sector expertise in regulatory policy development, including all facets of regulatory impact assessment, is a necessary input to good public policy. The establishment of a community of practice is an effective way to support achievement of this objective.

### Implementation Plan

DPC will review and refresh the current Policy Network Forum as a community of practice for policy development, including regulatory policy.

Complete by 30/06/2022

## 2.1.6

Partially supported

Enhancing transparency as well as capability to undertake RIAs through publication of regulatory impact statements

### Response

The decision to publish a RIS (or not) should be at the discretion of Ministers.

Publication of RISs provides the opportunity for all interested stakeholders to examine the rationale and impacts of a regulatory proposal. Published RISs also provide model examples and can assist with training and skills development, and the continued enhancement of the quality of RISs.

However, a Minister may decide not to publish in certain circumstances; for example, if there are Cabinet, commercial in confidence or privacy issues that might form part of the assessment. In these circumstances the Minister advises Cabinet that they do not intend to publish the RIS when the matter is considered by Cabinet.

Where there is agreement to publish agencies will be required to arrange that the RIS be published on both the agency's and the DPC website.

The above requirements are set out in the new Better Regulation Handbook.

Completed

## 2.1.7

Supported

Subjecting the RIA process to monitoring, regular evaluation and continuous improvement; and

### Response

Regular and rigorous review of the RIA framework and process enables government to ensure it is both current and fit for purpose. A review date of 1 July 2027 is included in the new Better Regulation Handbook.

Completed

## 2.1.8

Supported

Improving policy guidelines to assist agencies to consider and evaluate the potential for national harmonisation or regulatory equivalence in the development of regulatory proposals

### Response

National harmonisation of regulatory approaches may not be appropriate in all cases and the benefits of harmonisation must always outweigh the costs. The government agrees that the opportunity for harmonisation or regulatory equivalence with other jurisdictions should be routinely considered as policy options considered during the RIA process.

The new Better Regulation Handbook identifies this option and further details will be provided in the new guidance materials to be prepared in support of the handbook.

### Implementation Plan

As per the response to recommendation 2.1.3.

**Complete by 30/06/2022**

# Recommendation 3.1: Performance measurement and reporting

*To increase the transparency and accountability of SA business regulators, the Commission recommends that the SA Government establish an across government policy framework to guide measurement, monitoring, and reporting of performance by regulators, based on the Commission's regulator practice framework.*

**3.1**

Partially Supported

This policy framework would:

- be sufficiently flexible to recognise that regulators are a heterogeneous group with different legislative obligations, roles, structures and functions;
- be integrated into each regulator's annual planning and reporting cycle;
- include reporting on approval and rejection rates, and where applications are rejected, provide the reasons and consequences of the rejection; and
- include reporting on other KPIs and stakeholder feedback on performance.

## Response

Any new performance reporting systems need to recognise what is already in place to avoid duplication and not add complexity. This is to ensure performance measurement and reporting do not become unnecessarily burdensome for regulators.

The government is aware that the Victorian model as presented in the Commission's report (including the Victorian Government Statement of Expectations) has been replaced by a more flexible and less onerous model developed in conjunction with regulators. Furthermore, other frameworks provided as examples of good practice within Australia are either new (Australian Government) or being reviewed (Queensland Government).

The government is proposing that a detailed response to this recommendation (and recommendation 3.2) therefore be deferred for 18 months. This will also include a response to recommendations 6.1.2 and 6.1.6 below.

In the interim, DPC will investigate whether this recommendation can be met in part through existing mechanisms, namely the Integrated Performance Framework, (IPF), specifically to test the scalability of the IPF to include regulator monitoring and performance.

## Implementation Plan

Short term - DPC will assess the feasibility of using the IPF as a mechanism for measurement, monitoring, and reporting of performance by regulators

**Complete by 30/06/2022**

Medium to long term – DPC will commission an evaluation of models in other jurisdictions (Commonwealth, Victoria and Queensland) and then decide whether a new standalone measurement and reporting system is warranted.

**Complete by 30/06/2023**

# Recommendation 3.2: Statement of expectations

*To provide context of relevant government priorities and to promote a culture of continuous improvement, the Commission recommends that the SA Government introduce a Statements of Expectation (SOE) framework. The framework would apply to all state business regulators. Each SOE would be developed in consultation with the regulator and be issued by the responsible minister to the regulator every two years.*

## 3.2

Partially Supported

These SOEs would include references to:

- the contribution to the governments' economic, social and environmental objectives, recognising the regulator's mandate;
- regulatory activities that are timely, outcome focused, and proportionate with regard to managing risks;
- ensuring open, transparent and efficient dealings with regulated entities;
- the pursuit of continuous improvement and innovation; and
- public reporting on the progress of improvement strategies and their outcomes.

### Response

See response to Recommendation 3.1.

# Recommendation 4.1: Enhance SA regulation online resource

4.1

Supported

To support a system-wide approach to developing and evaluating regulations relevant to business, the Commission recommends that the Government leverage existing information and tools, including artificial intelligence (AI) and RegTech, to develop an online regulation information resource that is:

- based on the existing Legislation SA website;
- informed by reforms implemented in other jurisdictions to improve functionality and usability; and
- designed according to assessments of the costs and benefits of alternative approaches.

## Response

The SA legislation website ([www.legislation.sa.gov.au](http://www.legislation.sa.gov.au)) has been replaced as of 23 November 2021 and now offers improved search tools, an updated notifications system as well as a modern format that will make using the website easier.

In addition to PDF and RTF, the new website makes legislation available in the Extensible Mark-up Language (XML) format that a number of publishers already use to maintain registers

of South Australian legislation with bespoke functionality (such as Austlii). The availability of legislation in these formats will support organisations and developers to easily create and maintain curated registers of legislation.

Completed

# Recommendation 4.2: Build evaluation capability

*To improve the quality and consistency of ex post evaluation of business regulation, the Commission recommends that the SA Government build public sector knowledge regarding the purpose of ex post evaluations and build capability in evaluation methods by:*

## 4.2.1

Supported

Developing guidance material and tools, supported by training for agencies on the purpose, requirements, processes and different approaches to undertake proportionate and effective ex post evaluations.

### Response

Ex post evaluation is an integral part of the policy development cycle and regulatory impact assessment. This is highlighted in the new Better Regulation Handbook.

Cabinet Office will prepare new guidance materials. These will complement the guidance on the Better Regulation Handbook that will be part of the response to recommendation 2.1.3.

### Implementation Plan

As for response to Recommendation 2.1.3.

Complete by 30/06/2022

## 4.2.2

Supported

Incorporating specific guidance information on the Regulatory Expiry Program (REP) to ensure the program is targeted, proportionate, timely and effective.

### Response

Cabinet Office will provide greater guidance on review of regulations under the Regulation Expiry Program to ensure an appropriate level of support is available to agencies.

### Implementation Plan

As for response to Recommendation 2.1.3.

Complete by 31/07/2022

# Recommendation 4.3: Across-government ex post evaluation policy

*To proactively manage and improve the quality of SA regulation, consistent with the notion of regulatory stewardship, the Commission recommends that the SA Government develop an across government policy on ex post evaluation.*

4.3

Supported

The policy will provide information and guidance on:

- the importance and benefits of ex post evaluation;
- triggers or prompts to help determine whether an evaluation is necessary;
- planning and coordination of evaluation;
- criteria to guide how an evaluation should be undertaken including the type of evaluation with reference to proportionality and risk;
- a holistic approach to regulation review that considers associated regulatory interactions (including those with other governments); and
- sharing of plans for and reports on evaluations with regulated entities and other regulators to promote collaboration and transparency.

## Response

Ex post evaluation is an important part of the regulatory policy development cycle. The new Handbook requires the development of a plan for Post Implementation Review to assess whether the regulation remains appropriate, and how effective and efficient it has been in meeting its objectives.

A broader policy on regulation review and evaluation will be incorporated into the response to Recommendation 6.3 below. As a general principle the government will support an approach that is risk based with a focus on evaluation of high impact regulation. It is also acknowledged that support, guidance and training will be required.

## Implementation Plan

The new Handbook is on the DPC website.

Completed

Cabinet Office will develop a new regulation review policy.

Complete by 30/06/2022

# Recommendation 5.1: Business-to-government digital systems enhancement

*To make regulatory compliance activities faster, easier and more cost effective for both regulators and regulated entities, the Commission recommends that the SA Government:*

## 5.1.1

Supported

Commit to all business regulators migrating to digital business-to-government data transfers and the greater use of regulatory technology (RegTech)

### Response

The government is committed to digital systems enhancement as evidenced by the establishment of the \$120 million Digital Restart Fund and future development of the Business Services Portal.

The government is seeking to expand this commitment in line with recommendations from the Commission, including continued investment in digital solutions.

Fundamental to commitments to digitisation is the customer perspective and consideration of preferences in some industries to retain access to hardcopy licence/permit application forms, and the impost this imposes on regulators in maintaining two systems.

### Implementation Plan

DPC is preparing a business case for additional funding for digital solutions.

The business case will be informed by:

- The outcomes of research by PwC to identify priority areas for businesses (including small businesses) and citizens from a customer experience perspective;
- the priority areas identified by the Commission in both the Inquiry and the Tourism Regulation Review (nature-based and agritourism businesses).

In developing the business case, the preferred supplier will engage with agencies to identify quantifiable benefits and with DTF to agree on assessment methodology to address issues identified by the Commission.

Ultimately, investment should be based on case by case proof of value from RegTech and digital solutions.

Complete by 30/09/2022

## 5.1.2

Supported

Facilitate investment in regulatory technology design and practice by:

- ensuring the methodology for assessing government investments in RegTech and digital solutions includes consideration of the broad, ongoing benefits (including avoided costs) to regulators and regulated entities and the state economy from reduced compliance costs; and
- conducting a study lead by DPC, working with regulators, to identify where digital and technology solutions could enhance the state's regulatory system giving particular regard to the Growth State sectors (including nature-based tourism and agritourism as identified in the Tourism Regulation Review).

### Response

See the response to Recommendation 5.1.1.

### Implementation Plan

See the response to Recommendation 5.1.1.

Complete by 30/09/2022

# Recommendation 5.2: Funding across-government RegTech solutions

5.2

Supported

Based on the study in recommendation 5.1, the Commission recommends that the SA Government identify and fund specific priorities for investment in RegTech and digital solutions informed by rigorous business cases that enable:

- more efficient data collection from regulated entities;
- more efficient data sharing between regulators, including regulators in other jurisdictions where appropriate;
- multiple agency use of existing digital, data and technology assets;
- improved coordination between regulators; and
- improved speed of decision making.

## Response

See the response to Recommendation 5.1.1.

## Implementation Plan

See the response to Recommendation 5.1.1.

Complete by 30/09/2022

# Recommendation 5.3: Promoting regulatory sandboxing

5.3

Supported

To enable the testing of innovative concepts and responses to new challenges facing the state, the Commission recommends that the SA Government develop a legislative framework for trialling regulatory sandboxes.

## Response

Regulatory sandboxing in the autonomous vehicles environment has enabled trials of innovative and developing transport technologies in SA. *The Motor Vehicles (Trials of Automotive Technologies) Amendment Act 2016* enables the Minister to provide exemptions from the MVA or any other Act (including Acts not administered by the Minister).

The government is supportive of expanding and continuing to develop legislative frameworks for trialling regulatory sandboxes.

The government acknowledges the need to ensure there are safeguards in place if regulatory requirements are to be relaxed, especially where public safety may be at risk.

## Implementation Plan

DPC, through the Policy Lab, will develop a framework to assist agencies in identifying and assessing opportunities for regulatory sandboxing, in addition to the example provided above.

Complete by 30/06/2022

# Recommendation 6.1: Continuous improvement of practice

*To promote and support the ongoing improvement of regulatory practice across the regulatory life cycle, the Commission recommends that the SA Government establish an across government accountability framework and strategy that:*

## 6.1.1

Supported

Includes a policy, drawing on OECD better practice principles, to guide regulatory consistency and quality to ensure that the economic, social and environmental effects of regulation maximise net benefits to the state, consistent with individual regulators' enabling legislation;

### Response

The government supports the development of a an across government regulatory strategy and policy which will identify broad priority areas for reform.

### Implementation Plan

DPC will prepare a draft government regulatory policy and strategy addressing several of the Commission's policy recommendations, including this one and elements of recommendation 6.3, utilising existing governance arrangements; e.g. the Chief Executive Council or one of its subcommittees with final approval to be sought from Cabinet.

The Council could be charged with oversight of implementation by relevant Chief Executives and monitoring of the strategy.

The proposed SA Chapter of the National Regulators Community of Practice (see response to recommendation 6.1.3 below) will, as needed, support the government's regulatory policy agenda by implementing whole of government regulatory approaches to increase efficiency and effectiveness.

Complete by 30/06/2022

## 6.1.2

Partially Supported

Requires regulators to develop, implement and report publicly on improvement strategies with a focus on outcomes;

### Response

See response to Recommendations 3.1 and 3.2 above.

### 6.1.3

Supported

Establishes a community of practice among SA regulators and policy agencies to build capability and to share data, management systems, and best practice in such areas as technological and digital innovation and regulatory stewardship;

#### Response

SA is creating an Australian and New Zealand School of Government's (ANZSOG) Chapter of the National Regulators Community of Practice (NRCoP). This is an established network of national and international regulators who share good practice, opportunities and learnings from their various experiences.

#### Implementation Plan

SA regulators will be invited to the first meeting of the SA Chapter of the NRCoP on 17 March 2022.

An Executive Committee of SA regulators will be formed under the Chair of the Executive Director of SafeWork SA, who is also represented on the National NRCoP Executive Council.

Complete by 30/06/2022

### 6.1.4

Supported

Includes other initiatives to improve capability, such as a dedicated training that could be rolled out across regulatory agencies;

#### Response

It is proposed that the SA Chapter of the NRCoP hold quarterly events, with keynote speakers bringing topics for discussion, including regulator capability development, training alignment, data sharing, and 'one touch' regulation. It is proposed that agendas be aligned with emerging trends and events, but with a focus on aligning regulatory practice across State regulators.

#### Implementation Plan

The SA Executive Committee will develop a state NRCoP regulatory agenda on an annual basis. This will integrate into the national NRCoP agenda but will also reflect state-based trends and issues.

Complete first annual program by 31/03/2023

## 6.1.5

Supported

Includes incentives and assistance for regulators to adopt new technologies that will enhance their efficiency and effectiveness; and

### Response

The SA Chapter of the NRCoP will be a central point of contact for sharing regulatory best practice and the development and trialling of new or emerging regulatory policy and tools.

### Implementation Plan

To be determined by the government agenda.

Complete by – ongoing

## 6.1.6

Partially Supported

Is complemented by a program of external performance audits or peer reviews of selected priority regulatory agencies to examine the extent to which individual regulators deliver on their objectives and implement good practice.

### Response

See response to Recommendations 3.1 and 3.2 above.

# Recommendation 6.2: Enhanced consistency, coordination and timeliness

*To enhance the timeliness, efficiency and consistency of business regulator decision-making, the Commission recommends that the SA Government:*

## 6.2.1

Supported

Task the Economic Growth Council with identifying options for improving the consistency and timeliness of business regulators' practice, and improving the way that SA regulators coordinate decision-making and compliance monitoring in industries where multiple regulators have jurisdiction;

### Response

The Economic Growth Council (EGC) is the appropriate body to ensure accountability for regulatory practice as its Terms of Reference already provide for functions in relation to the Commission:

- Provide advice to the Premier and Cabinet on potential areas of inquiry/review for the South Australian Productivity Commission

- Oversee implementation of the Government's response to South Australian Productivity Commission inquiries.

### Implementation Plan

The Terms of Reference for the EGC will be reviewed and amended as necessary to achieve the objectives of this recommendation.

Complete by 30/06/2022

## 6.2.2

Supported

Task the Growth State sector lead agencies, in consultation with industry, with identifying regulatory barriers to economic growth and escalating these issues, where appropriate, to the Economic Growth Council.

### Response

Growth State sector lead agencies are already tasked with identifying regulatory barriers (among others) to economic growth through consultation with industry.

Completed

# Recommendation 6.3: Central leadership and oversight

*To improve the performance of the state's regulatory framework throughout the regulatory life cycle, consistent with the concept of regulatory stewardship, the Commission recommends the creation of a dedicated small unit, located in a central agency and responsible to a minister for regulatory reform. The unit would undertake transformational projects as well as a range of ongoing advisory, oversight and continuous improvement functions. Operation of the unit would be guided by the OECD's 2012 recommendation on regulatory policy governance.*

## 6.3

Not supported

Key areas of responsibility would include:

- leading, in collaboration with regulators, the development of across government policies recommended by the Commission, drawing on OECD better practice principles, to guide transition towards best practice (see recommendations 3.1, 3.2, 4.3, 5.3, and 6.1);
- developing across government regulatory strategy, performance and priorities;
- building capability in regulatory policy and practice;
- providing expert advice and assistance to agencies on cost-benefit analysis, regulatory impact assessment and ex post evaluation;
- providing expert advice to Cabinet Office on the need for, and adequacy of, regulatory impact assessment as part of the Cabinet Office commenting process on regulatory proposals to Cabinet; and
- monitoring and reporting on overall regulatory system performance, including KPIs on timelines for decision making, approval rates and reasons for rejections and other key indicators.
- The unit would have no authority to intervene in the work of any regulator.

## 6.3

### Response

The creation of a centralised unit is not supported for reasons outlined in the response to recommendation 2.4.4. Instead, several of the proposed functions will be fulfilled by central government agencies, including DPC (as highlighted in responses to recommendations above, including recommendation 2.1), and upskilling of existing staff where necessary.

The need for a minister for regulatory reform is also not supported. Individual portfolio ministers retain full accountability for the quality of their regulatory

regimes and the Cabinet Secretary will continue to support the operation of a Cabinet government, including oversight of the Cabinet agenda.

However, the development of an across government regulatory strategy is supported. This would identify priority areas for reform including those identified by the Commission but not directly responded to in the overall response; e.g. a policy for regulatory review (part of recommendation 4.3).

# Recommendation 6.4: Cross-border harmonisation

6.4

Supported

To ensure that cross-border issues are effectively identified and addressed at all stages of the regulatory life cycle, the Commission recommends that the SA Government extends PIRSA's regional role, through its Regional Development Steering Committee, to gather intelligence on these issues, refer them to the responsible agency and monitor progress on agencies' responses.

## Response

It is important to identify and respond appropriately to cross-border issues. This is a role for all agencies with impacts of regulation (throughout the regulatory lifecycle) on regional businesses and communities, including cross border issues, to be considered through the Regional Impact Assessment Statement (RIAS) policy process. The new Better Regulation Handbook also highlights the need to consider regional impacts as part of the RIS process.

The Regional Development Strategy Steering Committee, with its regional membership, provides an additional avenue for raising cross border issues. The Committee can then refer the issues to the responsible agency and monitor progress on agency responses.

## Implementation Plan

PIRSA, in consultation with members of the Steering Committee, will amend the Terms of Reference for the Regional Development Strategy Steering Committee to ensure that its role in cross border harmonisation of regulation is explicit and implement a process to share that intelligence with the relevant agencies.

Complete by 31/03/2022



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