Regulatory Impact Assessment Guidelines

for Western Australia

UPDATED JULY 2010

Foreword

Since the release of the original edition of the *Regulatory Impact Assessment Guidelines for Western Australia* (Guidelines), the State Government has supported agencies and the Regulatory Gatekeeping Unit (RGU) to further Western Australia's efforts in effectively and efficiently targeting burdensome regulation.

The amendments to the Guidelines made in this edition support the requirement for rigorous assessment of regulatory proposals that have a significant impact on business, consumers and/or the economy.

The Guidelines aim to provide assistance for agencies and Ministers in developing and implementing regulation in Western Australia.

Through the adoption of the principles and processes developed in the Guidelines, businesses and the public can be assured that those tasked with the decision to regulate will be doing so fully informed by thorough analysis and advice.

The Hon. Colin Barnett MLA

PREMIER AND TREASURER

Contact the RGU

The Regulatory Gatekeeping Unit (RGU) has been established by the Government within the Department of Treasury and Finance to advise on, administer and support the Regulatory Impact Assessment (RIA) process. Support material is available on the Department of Treasury and Finance website (DTF website) to provide further context and guidance.

General enquiries regarding the RIA process should be directed to the RGU at regulatorygatekeeping@dtf.wa.gov.au. Enquiries regarding a specific proposal should be directed to your agency contact within the RGU. Agencies should make contact with the RGU early in the policy development process, as this will ensure that the RGU is fully aware of the proposal and can provide timely assistance.

If you would like to arrange training on the RIA process for your agency, please contact the RGU.

Acknowledgements

In designing these Regulatory Impact Assessment processes, the Regulatory Gatekeeping Unit of the Department of Treasury and Finance acknowledges the support provided by the best practice offices within Australia and New Zealand. In particular, the world leading processes and documents of the Commonwealth Office of Best Practice Regulation, the Victorian Competition and Efficiency Commission and the New Zealand Treasury have aided the development of the *Regulatory Impact Assessment Guidelines for Western Australia*.

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CHAPTER 1

Introduction

This document provides a guide to the Regulatory Impact Assessment (RIA) process in Western Australia, which is based on the principles of good regulation identified by the Taskforce on Reducing Regulatory Burdens on Business[1].

The RIA initiative has been implemented in accordance with Western Australia's commitments under the Council of Australian Governments (COAG) to support new and strengthened gatekeeping arrangements to apply to the making of regulation.

COAG agreed that all Governments would establish effective gatekeeping arrangements "as part of the decision-making process to ensure that the… impact of proposed regulatory instruments are made fully transparent to decision makers in advance of decisions being made and to the public as soon as possible".[2]

These Guidelines provide advice on the RIA process and its requirements and give clear guidance on the required RIA documentation and procedures to be followed at each stage of policy development.

Context

RIA requirements apply to proposals for new and amending regulation, and to policy proposals that may result in new or amending regulation (regulatory proposals).

The RIA process is designed to improve the quality of regulation by ensuring that the decision maker is fully informed when making regulatory instruments. RIA is aimed at ensuring rigorous analysis of regulatory proposals, effective and appropriate consultation, and transparency of process.

The RIA process has been designed to encourage careful consideration, at an early stage, of the fundamental question of whether regulatory action is required or whether policy objectives can be achieved by alternate or non-regulatory measures, with lower costs for business and the community.

Audience

Ministerial and agency staff involved in policy development or who oversight legislative drafting should be familiar with these Guidelines as they will need to ensure RIA requirements are complied with.

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1 Report of the Commonwealth Government Taskforce on Reducing Regulatory Burdens on Business (2006), *Rethinking Regulation*

2 Council of Australian Governments (April 2007), *Regulatory Reform Plan*

Commencement

The RIA requirements in these guidelines apply:

- from 1 December 2009, to all regulatory proposals submitted to the Cabinet for consideration;
- from 1 June 2010, to most forms of subordinate legislation enacted by submission to the Governor in Executive Council; and
- from 1 June 2011, to the 'remaining forms of subordinate legislation' and quasi regulatory instruments.

What does RIA apply to?

RIA applies to all regulatory proposals introducing regulatory instruments including primary legislation approved by the Cabinet and enacted through the Parliament (and other regulatory policy proposals approved by the Cabinet), subordinate legislation enacted through the Governor in Executive Council, remaining forms of subordinate legislation and quasi regulation.

The RIA requirements are to be satisfied prior to the initial policy decision to regulate and certainly before the approval to draft stage. This requirement will ensure that the decision maker is provided with a complete analysis of the proposed regulatory policy prior to a decision being made.

The Regulatory Impact Assessment process at a glance

RIA is a two-tiered process for assessing regulatory proposals, to determine their impacts on business (including Government businesses), consumers or the economy.

- A Preliminary Impact Assessment (PIA) must first be undertaken on each regulatory proposal to determine its impact on business, consumers and/or the economy. All Cabinet proposals of a regulatory nature require assessment in the form of a PIA from 1 December 2009, all subordinate legislation made by the Governor in Executive Council will require RIA assessment from 1 June 2010 (see page 21) and all remaining forms of subordinate legislation and quasi regulation will require RIA assessment from 1 June 2011.

- If the PIA identifies a significant negative impact (see page 13) associated with the regulatory proposal, a Regulatory Impact Statement (RIS) is required to be completed prior to consideration by the decision maker. The RIS process consists of a Consultation RIS and a Decision RIS.

A RIS is not required for regulatory proposals where a PIA has been completed and shows no significant negative impact on business, consumers or the economy. Proposals that are non-regulatory fall outside the RIA process and assessment under the RIA process is not required.

A Treasurer's Exemption from the RIA process may be sought at any stage during policy or regulatory development (see page 6).

CHAPTER 2

Which policy proposals require RIA?

RIA requirements apply to all regulatory proposals including primary and subordinate legislation and quasi regulation according to the commencement dates outlined on page 2, to determine the impact on business, consumers or the economy. Proposals that do not seek regulatory change but that may result in new or amending regulation also require RIA assessment.

What is a regulatory proposal?

A regulatory proposal is a proposal that advances, or may result in, the imposition of any kind of legislation, regulation or rule that, under the authority of the Government, influences the behaviour of consumers and/or business. Policy proposals that may result in new or amending regulation are included as regulatory proposals.

Progress of a Proposal

Step 1	Will the proposal result in new legislation or regulations or changes to existing legislation or regulations?			
	If yes – go to Step 2	If no	→	RIA requirements do not apply
Step 2	A PIA should be completed and lodged with the RGU for assessment			
	RGU formally agrees to the PIA - go to Step 3	RGU does not formally agree to the PIA	→	More information required
Step 3	Has the PIA identified a significant negative impact of the proposal on business, consumers and/or the economy? (see page 13)			
	If yes, a RIS is required – go to Step 4	If no	→	RIA requirements are satisfied by the PIA
Step 4	Regulatory proposals with a significant negative impact require a RIS. (This consists of a Consultation RIS and a Decision RIS).			

When might Government regulation be justified?

Although Government intervention may be justified, the RIA process is designed to provide an assessment of the costs and benefits in order to justify such action. The commonly understood reasons to regulate include:

Regulatory Failure

Regulatory failure may occur where regulation is not well-designed or targeted to address an identified issue and there are unintended and undesirable consequences of that regulation. This can result in increased costs to business, the community and the economy as a whole and can result in undesirable consequences such as tax avoidance, social inequities and high business costs through red tape. In such circumstances, an alternative regulatory instrument or policy, or deregulation, may be more effective in addressing the issue and attaining the Government's objectives. Regulatory capture in which the regulator makes decisions that are biased in favour of the industry being regulated and regulatory drift, where regulation is considered appropriate when adopted but ceases to be so over time, are two examples of regulatory failure.

Market Failure

Market failure occurs when the market alone does not efficiently organise production or allocate goods and services for consumers. In these circumstances, regulation or other Government intervention is often beneficial and justified to correct market failure. Market failure should not be treated as a general concept subject to interpretation; instead it is an economic concept relevant to whether Government should intervene in the marketplace. Reasons market failure may occur include:

- **Provision of Public Goods -** Government intervention may be required to ensure goods or services are provided where the private sector either will not provide, or under-provided a good or service. This most often occurs where the goods or services are non-rivalrous in consumption (for example, radio and television programs; where one person's use does not prevent another) and/or non-excludable in consumption (for example, a lighthouse; where there is no way of limiting consumption). These two factors provide for access by all parties and consequently, producers have an inability to charge for access, making it impossible to recoup the costs of provision by extracting payment from users. Consequently, there is a clear role for Government to see such necessary goods are provided. It should be noted that, prior to developing regulation to provide for such goods, agencies should determine the reasons behind this type of market failure. For example, the private sector may not provide a good due to its high cost of production and a demand that does not justify its production. Instances such as this would not be considered market failure, and the Government should not regulate to provide an inefficient good that the market is not willing to supply.

- **Externalities -** Market failure also occurs where externalities are present, producing either positive or negative side effects to parties not involved in the consumption or production of a good or service. These effects (positive or negative) are not reflected in prices, and therefore are not taken into account in the decision to consume/produce. As a result, too little or too much of the activity is undertaken. Government regulation, in the form of prescriptive regulation or taxes and subsidies, may be required to achieve the optimal level of production or consumption, by 'internalising' the external costs or benefits.

For example, the cap and trade model that could be used to deal with the externality of pollution by internalising the cost of the generation of carbon pollution into the costs to firms and would be reflected in higher prices. Activities such as promoting public health and safety outcomes through regulations such as those requiring vaccinations would be considered to be reducing unacceptable risk of harm to others and/or would constitute a positive externality.

In these instances, Government intervention in the form of regulation may be justified to minimise the external effects including the risk of harm in public policy in areas such as economic, financial, health, safety, environmental and national security. This type of government intervention is an example where regulation to deal with an externality or 'protective' regulation may be justified.

However, it should be noted that the costs of dealing with externalities may be excessive in comparison to the benefits. Consequently, it may not be possible or even desirable for Government to regulate to ensure zero harm, or encourage the acceptance of beneficial regulation in every situation where markets fail to manage risk efficiently. If this is the case, the externalities should be managed by non-regulatory means where the expected net benefits of government intervention are low.

- **Information Asymmetry -** Insufficient or inadequate information about factors such as price, quality or availability prevents business, investors or consumers from making informed decisions that are in their best interests. Information asymmetry exists commonly as businesses tend to be better informed than their customers about product, price and quality of the product. Such instances of market failure through information asymmetry may be corrected by the private sector (for example, mechanics performing pre-sale checks on used vehicles for a fee). However, in many instances of information asymmetries, Governments need to regulate to enforce information disclosure or place restrictions on some goods and services such as those regarded as dangerous.

- **Market Power -** In perfectly competitive markets, market participants have no market power. Consequently, the ability of a firm to raise its price above competitive levels is limited by the existence of, or threat of, competition from other similar firms selling the same (or a similar) product. However, in a market, one firm may have market power by virtue of controlling a large portion of the market.

  Market power gives firms the ability to engage in anti-competitive conduct and to create barriers to entry, to further restrict competition in the market. With market power, a firm is able to influence the market price, typically by withholding production (for example electricity generation). Businesses with market power may also misuse the power by reducing prices below cost of production to price other firms out of the market or prevent their entry into the market, in a practice known as predatory pricing. Consequently, market power may see prices of goods and services rise above their socially optimal level, or supply of goods and services being restricted so that less of the good or service is available.

  In instances such as these, Government intervention is justified, as regulation is required to constrain business behaviour and ensure that consumers are not exploited. The mechanism which primarily addresses misuse of market power is the *Trade Practices Act 1974*, which prevents collusion and anti-competitive behaviour. However, further regulation may be required in different circumstances.

Treasurer's Exemption from RIA requirements

The RIA process allows for a Treasurer's Exemption from RIA requirements to be sought by Ministers and granted in exceptional circumstances. Examples where an exemption may be granted include:

- emergency responses where immediate action is required and there is only one option; and
- election commitments, where options for the implementation of the commitment would not benefit from a RIA style options analysis.

An application for a Treasurer's Exemption must be made in writing by the responsible Minister. The application should contain an outline of the impacts of the proposal and sufficient evidence to enable the Treasurer to form a considered opinion. A template letter is provided on the DTF website.

It is recommended that agencies contact the RGU prior to applying for an exemption, in order to ascertain the RIA requirements for the particular proposal. In the majority of the cases, the completion of a PIA will satisfy RIA requirements, and in some instances an exception may be applicable.

If a Treasurer's Exemption is granted:

- the proposal may proceed to the decision maker without being subject to the RIA requirements (that is, without a PIA, or without a RIS if a RIS would have been required); and
- the resulting regulatory instrument must be subject to a Post-Implementation Review within two years of implementation.

When a Treasurer's Exemption is granted, the agency should include the details of the exemption in a Biannual Agency Regulatory Return.

The RGU monitors, assesses and will report on the granting of Treasurers' Exemptions and subsequent compliance with the Post-Implementation Review requirements.

The Post-Implementation Review aims to provide evidence that the benefits of the regulation (implemented as a result of the proposal) outweigh the costs, and that the objectives can only be achieved by this regulation. The Post-Implementation review should identify that the regulation remains an appropriate, effective and efficient method of achieving the policy objective.

CHAPTER 3

Role of Ministers, Agencies and the RGU in satisfying RIA requirements

The RIA process aims to ensure that adequate information and analysis is provided to aid decisions on restrictive or costly regulation, and if properly implemented, will provide an effective framework for enhanced decision making and policy design with widespread benefits for the people and businesses of Western Australia.

Role of Ministers

Ministers are responsible for ensuring RIA analysis is objectively conducted, prior to making regulatory recommendations to Cabinet or to the Governor in Executive Council. It is the role of Ministers to ensure that their agencies comply with the RIA requirements and that, before making regulatory decisions, the appropriate level of information has been considered.

Upon identifying an issue as requiring a possible regulatory solution, Ministers should ensure agencies conduct a PIA of the proposal, to determine whether the proposal will pose a significant negative impact on business, consumers or the economy and require a RIS. In the case of a significant negative impact, Ministers should allow sufficient time for effective and appropriate consultation and objective RIA analysis, prior to making a decision on, or recommending, the preferred solution.

In cases precluding proper RIA analysis (for example, where an urgent response is required), an application for exemption from RIA requirements should be made in writing from the Minister to the Treasurer, providing an outline of the proposal and its impacts (see page 6).

Role of Agencies

Agencies are responsible for:

- engaging with the RGU early in the policy development process, to determine what level of analysis may be required under the RIA framework;
- conducting analysis in accordance with RIA requirements on policy issues, before a regulatory proposal is submitted to the decision maker for approval to draft;
- ensuring that the required level of RIA analysis has been completed and that analysis and data are correct and robust;
- providing adequate justification where an exception or exemption from the RIA process is requested;
- providing Biannual Agency Regulatory Reports to the RGU (see page 17) to determine agency compliance with RIA for regulatory proposals in the previous six months and a regulatory plan for the coming six months; and

- ensuring staff members attend training in the various aspects of the RIA process, provided by the RGU to ensure familiarity with RIA requirements, and improve the quality and accuracy of RIA documentation.

Agencies may also wish to establish an RGU coordinator, to liaise with the RGU and deal with agency specific and proposal specific requirements. This person should be well placed to:

- liaise with the RGU to schedule training in RIA processes for agency staff and executive as required, championing the RIA process within the agency; and
- discuss the implications of various regulatory proposals with the RGU and agency staff and executive, and sign off on PIAs and RISs where appropriate.

Role of the Regulatory Gatekeeping Unit

The RGU is responsible for administering and supporting the RIA process by:

- providing information and training to agencies on the requirements and benefits of the RIA process;
- ensuring continued progress on improving the quality of assessments;
- being engaged with agencies early in the development of proposals recommending new or amending regulations, and providing guidance on when a RIS is required;
- providing technical assistance and training to agencies undertaking a PIA or a RIS, for example in the matters a RIS should address;
- monitoring the development and implementation of regulation to ensure the appropriate RIA analysis is undertaken;
- commenting on, and assessing each PIA, Consultation RIS and Decision RIS, according to RIS Adequacy Criteria (see Appendix 3);
- formally advising agencies on the adequacy of PIAs and RISs;
- commenting on Cabinet submissions from a RIA perspective; and
- producing the RGU Annual Report, on new and amending regulation and its compliance with RIA requirements (see page 17).

The RGU is not in a position to verify the analysis and data in RISs or provide policy advice. The RGU does not comment on the merits of a policy proposal, only the adherence to RIA.

Consequences of not complying with RIA requirements

Regulatory proposals that are not compliant with RIA requirements will be publicly reported in the RGU Annual Report (see page 17).

For all regulatory proposals where no Treasurer's Exemption has been granted and:

- agencies incorrectly identify the proposal as non-regulatory; and/or
- agencies fail to complete a full PIA where exceptions have not been approved; and/or
- agencies have completed a PIA and the RGU requires further essential information that is not provided; and/or
- the assessment in the PIA is otherwise incomplete or inadequate;

the RGU will attempt to assist the agency to remedy this where appropriate. Where the situation is not remedied, the proposal will be assessed as inadequate and agencies will be advised by a Compliance Assessment Notice where possible.

The RGU will comment on a proposal's adequacy from a RIA perspective in the Department of Treasury and Finance's Cabinet comment. Furthermore, if a proposal has been submitted for Cabinet consideration and the RIA requirements have not been satisfied, the Cabinet Services Branch may return the Cabinet submission (see Appendix 2).

For regulatory proposals with significant negative impacts, if no Treasurer's Exemption has been granted and:

- the Consultation RIS or Decision RIS is not completed; and/or
- consultation has been undertaken, but is not considered effective and appropriate by the RGU; and/or
- agencies have completed the RIS and the RGU requires further essential information that is not provided; and/or
- the assessment in the RIS is otherwise incomplete or inadequate;

the RGU will attempt to assist the agency to remedy this where appropriate. Where the situation is not remedied, the RIS will be assessed as not adequate and agencies will be advised. The RGU will provide advice to the decision maker noting inadequacies of the RIS in the Compliance Assessment Notice.

Regulatory Impact Assessment Process and Timeframes

Discussions with the RGU should commence as soon as a policy issue requiring possible regulatory intervention becomes apparent. Working with the RGU early during policy development processes will make it easier for the RGU to analyse the content of the PIA and the RIS once they are formally submitted and assist in reducing turnaround times.

The agency should make contact with the RGU as soon as possible after a policy issue is identified as requiring a regulatory response. A PIA is drafted by the agency and lodged with the RGU.	RGU will review the PIA and provide comment if required	Some iteration may then be required to expand on information provided in the PIA.	Once the PIA is found adequate, the RGU will formally advise the agency of the status of the PIA. Either: • no further assessment is required; or • RIS is required. Allow 10 working days for initial advice on the adequacy of the PIA and each iteration of the PIA.
If a RIS is required, the agency should prepare a Consultation RIS and provide it to the RGU.	RGU will review the Consultation RIS and provide initial comment to the agency within 10 working days	Some iteration may be required to address RGU comment.	The RGU will advise the agency of the adequacy of the Consultation RIS under the RIS Adequacy Criteria (see Appendix 3). It will either be found: • inadequate – further changes may be required where possible; or • adequate – Consultation RIS should be released for consultation. The RGU will issue a Compliance Assessment Notice on the Consultation RIS and, the agency should make available for comment both documents for the consultation period nominated by the agency.
Following the consultation period the agency will prepare a Decision RIS addressing consultation outcomes and providing recommendations flowing from the options analysis. The agency should then provide the Decision RIS to the RGU.	RGU will review the Decision RIS and provide initial comment to the agency within 10 working days	Some iteration may be required to address RGU comment.	RGU will advise agency of the adequacy of the Decision RIS under the RIS Adequacy Criteria. It will either be found: • inadequate – further changes may be required where possible; or • adequate – Decision RIS should be provided to the decision maker. Once the Decision RIS has been assessed as adequate by the RGU the agency may progress the proposal to the decision maker. The Decision RIS and Compliance Assessment Notice should be made available when the decision has been made public in its final form e.g. the Bill is introduced into Parliament or regulation is gazetted.
	A	**B**	**C**

At A - the RGU will review the information provided in the form of the PIA, the Consultation RIS or the Decision RIS.

At B - if any significant changes to the proposal are found at decision points e.g. approval to draft or approval to print, the RIA process requires further analysis.

At C - if the Consultation RIS or Decision RIS requires adjustment to be considered adequate and this is not completed, the agency will be advised of non-compliance by way of the RGU's Compliance Assessment Notice.

CHAPTER 4

Requirements for RIA analysis and documentation

RIA is a two-tiered process requiring analysis of proposals, commensurate with their impact on business, consumers and the economy.

A PIA must be undertaken for all regulatory proposals to determine their impact on business, consumers and the economy or justify the request for an exception (see page 12). The PIA should be completed and lodged electronically with the RGU at regulatorygatekeeping@dtf.wa.gov.au, for formal agreement by the RGU in consultation with the Director of Policy Planning and Stakeholder Relations at the Small Business Development Corporation (SBDC) where appropriate. The RGU may be contacted at any time for assistance in completing the PIA. In addition, the PIA template refers agencies to the SBDC for assistance with assessing the significance of any negative small business impacts.

A RIS is required for regulatory proposals identified by the PIA as having a significant negative impact on business, consumers and/or the economy. Once considered adequate by the RGU, the RIS should be released as a Consultation RIS for comment and then finalised into a Decision RIS containing final recommendations for the decision maker. The RGU issues a Compliance Assessment Notice on both the Consultation RIS and Decision RIS. The Consultation RIS and the Compliance Assessment Notice will be released through the consultation process. The Decision RIS and Compliance Assessment Notice should be made public on the making of or the introduction of a Bill, or the gazettal of a regulation or instrument (see page 16).

Following the initial RIA assessment and policy decision, the proposal should be monitored to ensure that, as it is subsequently developed and implemented, no significant new negative impacts are introduced prior to the next decision point (for example, prior to Cabinet approval to print and introduce the Bill to the Parliament). If the impacts of the final instrument have changed and/or the agency has not identified the proposal as having been altered through a supplementary assessment, the proposal may be found inadequate.

Requirements for Preliminary Impact Assessment

Agencies developing regulatory proposals are required to lodge a PIA with the RGU, in accordance with the commencement dates for application of RIA outlined on page 2. The PIA comprises a short description of the proposal, and a series of questions in order to provide an early assessment of the costs and other likely impacts.

The PIA should be prepared following the identification of a policy issue and decision that government intervention is required to address the issue, but before a policy decision is made. If a regulatory option is being considered to address a policy issue, a PIA for the proposal will help to determine its significance.

Exceptions to the RIA process

The assessment of the impacts of some regulatory proposals under the RIA process would be of limited value. The requirement for full analysis of such a proposal in a PIA would be likely to cause an unnecessary burden for agencies. Consequently, the PIA template provides for the completion of a shortened registration process for those proposals that fall under an exception. An exception to the RIA process will require agencies to provide a justification of the exception to be applied in order for it to be approved by the RGU. A Guidance Note on how to complete a PIA provides further advice on the application of exceptions.

The following list of exceptions acknowledge the minor or standard nature of some amendments that are unlikely to have a significant negative impact on business, consumers or the economy, and therefore do not require the completion of a full PIA.

1. Standing Rules and Orders of Legislative Council and Legislative Assembly.
2. Regulatory proposals that concern, or are related to, electoral rules.
3. Regulatory proposals that are machinery of government or administrative in nature, including those relating to:
   - the administration or procedural arrangements within or between agencies; or
   - the consolidation of legislation, minor legislative amendments, correction of drafting errors, the commencement or repeal of legislation.
4. Regulatory proposals that are related to the management of the public sector.
5. Regulatory proposals relating to:
   - police powers and general criminal laws with no impact on business; and/or
   - the administration of justice, such as rules of court and sentencing.
6. Regulatory proposals involving the adoption of an Australian or international protocol, standard, code or Intergovernmental Agreement if an adequate assessment of the costs and benefits has already been made and the assessment was made for, or is relevant to, Western Australia.
7. Regulatory proposals that are subject to analytical and consultative processes which the RGU has approved as equivalent to RIA requirements.
8. Regulatory proposals which relate to increases in existing fees and charges, in line with a standard index (such as the Consumer Price Index) and/or that maintain cost recovery, since the last adjustment.
9. All regulatory budget and taxation proposals referred to the Economic and Expenditure Reform Committee, unless the Committee requests further RIA assessment.

Where agencies fail to complete a PIA where one is required, or have completed a PIA and the RGU requires further essential information that is not provided, or the assessment in the PIA is incomplete or inadequate, the agency may be assessed as non-compliant with RIA requirements.

What makes an impact 'significant'?

Consideration should be given to the size of the sector affected by the proposed measure, the effect on the price of a good or service, and whether the proposal will impose any restrictions on operations within an industry, provide barrier to entry or exit, change the allocation of resources and/or change the regulatory burden.

Costs

In determining the cost of a proposal, price effects should include enforcement, compliance and administrative costs. There are three major components in the assessment:

- **Broadness of cost impact** – if there is a widespread cost impact across a large number of industries or if a large number of businesses and/or consumers in an industry incur the cost, the impact is likely to be significant. A proposal may be considered significant if the impact on the Western Australian economy is large, even where the proposal imposes only small costs per individual regulatory occurrence but these costs affect a large number of businesses or consumers.
- **Relative cost impact compared to business size** - a comparatively small cost impact on a large business may not be as significant as the same cost on a small business as there may be a disproportionate effect which may, for instance impact on the viability of the small business or its ability to deliver a service or product (such as imposing a flat fee). If the cost per business is substantial, it is also likely to be significant. These criteria would also apply to any administrative or enforcement cost on Government.
- **Frequency of cost impact** - annual or reoccurring costs may be more significant than one-off costs. For example, a one-off business licensing cost, even if 'large', may not be as significant as an annual licensing fee of 'medium' size.

Restrictions on Competition

An analysis of the impacts arising from a restriction on competition should be completed in the form of a RIS type assessment. The following elements should be considered:

- **Barriers to entry or exit** - in determining the significance of negative competition impacts, consideration should be given to whether there are barriers to entry or exit. In general a proposal is likely to be considered to have a significant negative impact if it imposes controls that reduce the number of participants in a market or the incentives to compete in a market through the allocation of licences, rights, entitlements, quotas or franchises, or restriction of secondary markets of any of the above.
- **Allocation of resources** - consideration should be given to whether there are restrictions on operation within a market. If the regulatory proposal substantially alters or limits the way the commercial activities of a business are undertaken, or resources in the economy are allocated within a market, a significant impact may exist. This type of regulation may alter the range, quality or availability of goods or services provided in the market (and consequently, increase prices) and is likely to be significant.
- **Effect on market function** - if the regulatory proposal substantially alters or limits the way the commercial activities of a business are undertaken. Restrictive regulation may affect market function by way of determining the prices or charges for a particular good or service, setting hours of operations, size of premises, provision of specified facilities, geographical area of operations or means of advertising or promotion etc. These regulations are more likely to be significant if they change the operations of a business or market substantially.

Requirements for Regulatory Impact Statements

A RIS is required for regulatory proposals identified as having a significant negative impact on business, consumers or the economy. The RIS process aims to ensure that the costs of regulatory instruments are properly considered and broad consultation undertaken, beyond the interest group directly affected by the change. It formalises and provides evidence of the analysis undertaken as part of good policy development processes. The extent and detail of a RIS, and its associated consultation, should be commensurate with the magnitude of the policy issue that the proposal aims to address, and the size of the potential negative impacts of the proposal.

What is a RIS?

A RIS is primarily a tool to assist decision makers in identifying and implementing the best option to resolve a policy issue, however, it is not binding on the decision maker.

A RIS is a two-stage document prepared by the agency responsible for a regulatory proposal. The Consultation RIS should outline early understandings of the policy issue and calls for submissions. The Decision RIS builds on that information, analyses the impacts of the various options and makes a recommendation as to which option is best suited to resolve the identified issue. The Decision RIS should be provided to the decision maker in advance of a regulatory decision being made (for example, a decision to draft legislation), and should be published on the agency's website when the decision is made public in its final form (for example, a Bill is introduced to Parliament).

A RIS should include the substantive RIS elements in order to examine the impacts on business, consumers and the economy (outlined in the RIA Adequacy Criteria at Appendix 3). The substantive RIS elements should objectively examine the proposal's broader impacts, including those on individuals and the community as a whole and the environment, as relevant to the proposal. The extent and detail of a RIS analysis and its associated consultation should be commensurate with the importance of the policy issue being addressed, and the size of the proposal's potentially adverse impacts.

If the RIA process is undertaken too late in the policy cycle, the RIS will not be able to effectively provide a proper assessment of the need for the regulation, assess the viable alternative options for regulatory design or identify the best policy option for implementation. This means that the RIS would merely be used as a means of justifying a chosen regulatory response. This would not adequately inform the decision maker, is an inefficient use of resources and is not the intention of RIA.

In order to avoid overlap and duplication of regulations, collaboration within Government should take place to identify the scope and extent of the current regulatory regime. Such collaboration will be facilitated by a RIS. Intergovernmental collaboration also allows the identification of innovative and effective approaches to regulation developed elsewhere.

A template and procedural guidance note for completing a RIS is provided on the DTF website.

How much detail needs to be contained within a RIS?

The RIS should be carefully drafted using clear language and clearly defined assumptions, and objectively provide information to stakeholders, those impacted and the decision maker, keeping general background to a minimum.

The Consultation RIS should focus on clearly outlining the issue to be addressed, the Government's objectives and the necessity for action, viable options to address the issue, and identify the consultation strategy (see Appendix 3).

The Decision RIS builds on the Consultation RIS to objectively weigh the costs and benefits of each option, discuss consultation outcomes and on the basis of the analysis, recommend the option which provides the greatest net benefit for society as a whole. Implementation and review strategies are also outlined (see Appendix 3).

Consultation RIS

The Consultation RIS is the first stage of the RIS process. The Consultation RIS outlines the policy issue to be addressed and defines it as being due to market failure, regulatory failure or unacceptable risk. The Consultation RIS explains the objectives for resolving the issue, outlines the current regulatory environment and its effectiveness, proposes options to address the policy issue (including non-regulatory options where possible or explain why these are not applicable, and consideration of other jurisdictions' best practice approaches), and sets out the agency's early understanding of the impacts of the options.

The Government's commitment to the RIS process is intended to encourage ongoing, targeted and informal consultation with stakeholders or interested parties, and the community as a whole, where considered appropriate. All consultation undertaken by agencies as part of the policy and regulation development should be identified in the Consultation RIS and also reflected in the Decision RIS.

A template and procedural guidance note is available on the DTF website.

Should Regulatory Impact Statements be made public?

The Consultation RIS should be made public on the agency website where appropriate. The RGU requires consultation to be assessed as effective and appropriate. In order to be considered effective and appropriate, it is expected that agencies, at a minimum, consult with those stakeholders directly affected by the regulatory proposal and provide sufficient information on the issue, options and impacts. The RGU encourages full public consultation, as it is considered 'best practice' and there are often circumstances where all potential stakeholders affected cannot be identified. Where agencies provide the RIS and/or the Compliance Assessment Notice on their website, agencies should notify the RGU for a link to be established to these documents. Proposals where any level of consultation may be inappropriate include some election commitments (where there are no implementation options available), Bills containing Cabinet-in-confidence or commercial–in-confidence material and certain State Agreements. If limited consultation is justified for a particular proposal, agencies should contact the RGU to discuss the options.

Following a regulatory decision, agencies should make the Decision RIS available on their website and notify the RGU at the time of publication.

Decision RIS

The Decision RIS is the second stage of the RIS process. Following consultation with affected parties, and assessment of their comments and submissions as appropriate, the Consultation RIS is finalised into a Decision RIS. The Decision RIS analyses the impacts of the various options (possibly including new options generated during the consultation period) on all impacted groups, and draws conclusions on the basis of the analysis and recommends the preferred option to be implemented to achieve the policy objective.

The Decision RIS is provided (in the following order) to:

- the RGU for assessment (in consultation with the SBDC where small business impacts are involved). Generally, the RGU will require up to 10 working days to comment on the Decision RIS, with further amendments to the RIS possibly required before the RGU issues a Compliance Assessment Notice;
- the decision maker (for example, the Cabinet, Minister or the Governor in Executive Council), prior to a decision being made on which option best meets the objectives. The Decision RIS is an input to the decision making process and is not binding on the decision maker; and
- the public via the agency website at the time the decision is made public in its final form (for example, when the Bill is introduced into Parliament or regulation is gazetted).

Guidance on how to develop the Consultation RIS into a Decision RIS is discussed in the Decision RIS template and detailed in the Procedural Guidance Note available on the DTF website.

How does the RGU progress a RIS?

The RIS is provided to the RGU for assessment (in consultation with the SBDC where appropriate). The RGU uses the RIA Adequacy Criteria (see Appendix 3) to determine the adequacy of the RIS. The RGU will then provide the agency with a Compliance Assessment Notice of the RIS, indicating either the assessment is:

- inadequate – in this case further changes may be required to ensure adequacy of the RIA requirements prior to the release of the Consultation RIS or progression to the decision maker; or
- adequate – in this case the agency may proceed to consultation or decision making.

Generally, the RGU will require 10 working days to provide initial comments on the RIS, with further amendments to the RIS usually required before the RGU will find a RIS adequate. If the RIS is not considered adequate, the RGU will provide comment in the Compliance Assessment Notice on any inadequacies. This will not prevent agencies from undertaking consultation, although following the introduction of formal gatekeeping, it may result in a proposal being returned to the agency for further changes prior to being considered by the decision maker.

CHAPTER 5

Reporting

Biannual Agency Regulatory Reports

Any agency responsible for making regulatory changes, including primary legislation and subordinate legislation, must produce a Biannual Agency Regulatory Report in January and July each year. Agencies should review all proposals, completed and upcoming, to assess their inclusion in the Biannual Agency Regulatory Report. A template and Procedural Guidance Note will be made available on the DTF website.

The Biannual Agency Regulatory Report will contain two sections:

Compliance Returns

Compliance Returns consist of information about regulation made. Each agency is to list new or amending regulation made in each six month reporting period, and their compliance with RIA requirements.

Compliance information provided should include details about PIAs, Consultation RISs, Decision RISs, Treasurer's Exemptions granted and Post-Implementation Reviews undertaken.

Regulatory Plans

Regulatory Plans consist of information about all regulation planned for the coming reporting period that will/may lead to regulatory changes. Proposals should be included even if there is no certainty that it will either go ahead or that a significant negative impact will exist.

Agencies are requested to update their Regulatory Plans when possible, to identify any changes and can alter Regulatory Plans in order to add or delete proposals and/or update the RGU about the progress of regulatory proposals, as required.

The publication of Regulatory Plans is encouraged, as it would provide an additional level of transparency and ensure 'best practice' regulation is achieved. However, the RGU acknowledges that this may not be considered appropriate for all proposals. Where the release of information about a regulatory proposal would be considered inappropriate, the agency may consider publishing an amended 'public' version.

These reporting requirements aim to provide the State Government, and where appropriate the public, with access to information about past and planned changes to State regulation.

RGU Annual Report

The RGU will report publicly on agency compliance with the RIA requirements in the RGU Annual Report.

APPENDIX 1

Glossary of Terms

Agency – is used to refer to all departments, Senior Executive Service (SES) agencies, non-SES organisations, Schedule 1 and 2 entities under the *Public Sector Management Act 1994* and local governments making regulation. If you are unsure if the RIA requirements apply to your agency, please contact the RGU.

Alternative Consultation RIS – refers to an alternative document used for consultation purposes (such as a 'discussion document' or 'issues paper'). The RGU may approve an alternative approach, where it would cause undue burden on agencies to use the Consultation RIS template. In order to have an alternative Consultation RIS approved, agencies are required to contact the RGU to ensure it meets the RIS adequacy criteria (see Appendix 3). Once an alternative Consultation RIS has been approved by the RGU, you should complete the process outlined for the progression of a Consultation RIS.

Approved Analytical and Consultative Processes – refers to individual agency processes that can be demonstrated to be consistent with RIA requirements. Where internal best practice procedures are in place and consistent with RIA requirements, agencies should approach the RGU to have these approved. If you are unsure whether this term applies please contact the RGU.

Biannual Agency Regulatory Report – refers to a six-monthly report provided by individual agencies, comprising a Compliance Return and Regulatory Plan. These will be required to be prepared in January and July of each year and will be based on financial years (see page 17). A template and procedural guidance note is available on the DTF website.

Compliance Costs – Compliance costs are the direct additional costs of performing the various tasks associated with complying with regulation. They may be incurred financially, or account for the time required to comply, and are generally easily quantifiable.

Compliance Return – refers to the section of the Biannual Regulatory Report which provides a register of regulation made in the six month reporting period, and the agency's compliance with the RIA process on each regulatory proposal (see page 17).

Consultation RIS – refers to the document released for consultation under the RIA process if the PIA shows significant negative impacts on business, consumers or the economy. This document outlines the policy issue to be addressed and explains the objectives in resolving the issue, proposes alternative options to address the issue and sets out the agency's general early understanding of the impacts of the options. A template and procedural guidance note is available on the DTF website.

Decision RIS – refers to the document prepared for the decision maker, containing a complete examination of the issue following consultation, assessing the costs and benefits of the options considered to address the issue, and recommending the option that yields the greatest net benefit to the community as a whole. A template and procedural guidance note is available on the DTF website.

Decision Maker – refers to the person or body making a final decision on whether or not a regulatory proposal is implemented. For primary legislation, some subordinate legislation and quasi regulation, this will be Cabinet. However, for many pieces of subordinate legislation, the responsible Minister initially, then the Governor in Executive Council will be the decision maker. In the instance of quasi regulation, this may be the Chief Executive Officer, a statutory board etc.

Effective and Appropriate Consultation - refers to the adequacy of consultation strategies and documentation used to seek feedback on a particular regulatory proposal. Consultation would generally be considered effective and appropriate where businesses and relevant stakeholders, including in some circumstances the public, have been consulted to ensure that all affected parties have a good understanding of the issues, options, and their impacts. Agencies should ensure the nature and extent of the consultation is commensurate with the magnitude of the issue, and will be required to demonstrate that the method of consultation has met RIS adequacy criteria.

Enforcement Costs – refers to the costs associated with ensuring compliance with a regulatory proposal. These include costs such as the provision of additional staff, education campaigns and equipment used for enforcement.

Exception – refers to the list of nine categories of regulatory proposals (see page 12) where analysis under the RIA process would provide minimal benefit or is not appropriate. Examples of such instances would include proposals that are minor in nature or where analysis has been undertaken at the national level, and would otherwise result in the duplication of analysis or unnecessary effort. In this instance, a much shortened version of the PIA would be completed. In order to register a particular proposal and seek RGU approval, an agency will be required to nominate the exception requested and justify the application of such an exception in the circumstances of the proposal. A Procedural Guidance Note covering exceptions is available on the DTF website.

Externalities - refers to the positive or negative side effects of an activity affecting parties not involved in the initial transaction, that are not represented in the market price. These 'indirect', unintentional effects of production or consumption decisions affect a third party's wellbeing, by generating unpaid benefits or imposing uncompensated costs. For example, a side effect of electricity generation is carbon pollution, which is a cost to the community, which at present is not reflected in the market price (see pages 4 and 5).

Implementation and Evaluation Strategy – refers to a brief description of the strategy for the implementation of the regulation (for example some regulations may be deferred or staged to minimise costs), the performance measurement and evaluation plan to ensure that regulation continually meets its initial objectives. In addition, it outlines how the success of the regulatory change will be measured and reported.

Information Asymmetry - occurs when one party to a transaction has much less information about factors such as price, quality or availability, than another party. This provides a stronger bargaining position for the party with the most information and may prevent business, investors or consumers from making informed decisions that are in their best interests (see page 5).

Market Failure - occurs when the market alone does not efficiently organise production or allocate goods and services for consumers. The key sources of market failure include public goods, externalities, information asymmetry and market power (see pages 4 and 5).

Market Power - exists when a buyer or seller in a market has the ability to exert sufficient influence over the quantity of a good or service or to otherwise influence price (see page 5).

Machinery of Government – refers to the interconnected structures and processes of government, such as the functions, operations and accountability of agencies. Changes such as these are not considered to have a significant negative impact and would not generally benefit from analysis under RIA.

Non-Excludable – refers to the situation where it is impossible to prevent individuals who wish to consume the good from doing so once the good is provided, and individuals cannot be identified to be charged for consuming the good (see page 4).

Non-Regulatory Proposals – refers to a policy proposal which does not advance, or will not result in, the imposition of any kind of regulation or rule that, under the authority of the Government, influences the behaviour of people and/or businesses.

Non-Rivalrous – refers to the situation where consumption of a good or service by one individual does not prevent consumption by a second individual (see page 4).

Post-Implementation Review – refers to the review required within two years of a regulatory instrument being implemented, where a Treasurer's Exemption from the process was granted for that proposal (see page 6).

Regulation – refers to the "broad range of legally enforceable instruments imposing mandatory requirements upon business and the community, as well as those Government voluntary codes and advisory instruments, for which there is a reasonable expectation of widespread compliance."[3] Therefore it includes primary and subordinate legislation, as well as quasi regulation.

Regulatory Capture – occurs where the regulator makes decisions that are biased in favour of the industry being regulated. This may occur where a professional body, made up largely of practitioners in the regulated sector, is not only responsible for registering or licensing new entrants, but also in setting standards for entry (see page 4).

Regulatory Drift - occurs where regulation is considered appropriate when adopted but ceases to be so over time. For instance, the level of consumer protection afforded by regulation may become inadequate when consumers are faced with more complex services (and the level of regulatory protection required rises); or unnecessary when consumers become better informed (and the level of regulatory protection can be reduced) (see page 4).

Regulatory Failure - may occur where regulation is not well designed or targeted to address an identified issue and there are unintended and undesirable consequences of that regulation. Regulatory failure can result in increased costs to business, the community and the economy as a whole and can result in undesirable consequences such as tax avoidance, social inequities and high business costs (see page 4).

Regulatory Plan – refers to the section of the Biannual Agency Regulatory Report required by the RGU, identifying, and providing details of, the proposed regulations of an individual agency expected over the coming six months (see page 17).

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[3] *Regulation Reform Plan*, COAG April 2007

Regulatory Proposal – refers to a proposal that advances, or may result in, the imposition of any kind of regulation or rule that, under the authority of the Government, influences the behaviour of consumers and/or business. Policy proposals that may result in new or amending regulation are included as regulatory proposals.

'Remaining Forms of Subordinate Legislation' – refers to those instruments not made through the Governor in Executive Council but that are gazetted and subject to disallowance by the Joint Standing Committee on Delegated Legislation, or gazetted and made under a written law and having legislative intent. These remaining forms include the instruments deferred from the roll out to subordinate legislation on 1 June 2010 (local laws and local and regional land planning schemes) and will not be assessed under RIA before 1 June 2011.

Restriction on Competition – refers to regulation restricting the number of businesses entering an industry, restricting business practices or restricting a business' ability to compete fairly. This is seen as a significant negative impact and therefore requires a RIS style analysis, consistent with the National Competition Policy (see page 13).

RIS Adequacy Criteria – these are the criteria by which the RGU assesses whether the RIS achieves an acceptable standard to be released for consultation or provided to the decision maker (see Appendix 3).

Significant Negative Impact – in the RIA process, significant negative impacts, on business (including Government businesses), consumers or the economy trigger the requirement for further analysis of the impacts through the completion of a RIS. These significant negative impacts may be in the form of compliance, enforcement, or administrative costs, or a restriction on competition (see page 13).

Subject to Disallowance – refers to the scrutiny by the Joint Standing Committee on Delegated Legislation of subsidiary legislation in accordance with its terms of reference to guard against the making of regulation that is either unlawful by going beyond the power that is delegated or otherwise breach the terms of reference .

Subordinate Legislation – is defined by the RGU as any regulation or legislative instrument made by the Governor in Executive Council. Examples may include regulations under an Act, orders, rules and notices.

Supplementary Assessment – refers to the assessment of new or altered impacts associated with regulation under the RIA process. This is required where there has been a deviation in design or implementation from the initial regulatory proposal assessed by the RGU.

Treasurer's Exemption – If a proposal is granted an exemption from the RIA process by the Treasurer, the resulting regulation is exempted from RIA analysis prior to a decision being made. However, the proposal is required to be subject to a Post-Implementation Review within two years of implementation (see page 6).

APPENDIX 2

Administrative Procedures

A PIA should be lodged with the RGU for all regulatory proposals considered by Cabinet, the EERC or made by the Governor in Executive Council. Further analysis in the form of a RIS is required for those proposals with a significant negative impact. If a Treasurer's Exemption has been granted the proposal may proceed to the decision maker without being subject to the full RIA requirements. In all other cases, agencies should ensure that RIA requirements are complied with, before a proposal is considered.

The Cabinet Summary Sheet contains three fields for RIA processes that should be completed requiring an agency to identify if the proposal is regulatory, requesting the Regulatory Gatekeeping number (provided by the RGU when the PIA is submitted), and state that the proposal has complied with RIA.

The Cabinet submission template contains two new headings for RIA:

- Appendix B – agencies should write a short paragraph reflecting the outcome of the RIA process. For example, if a PIA of the proposal found no significant negative impact on business, consumers or the economy, this should be noted, if a RIS was required, its findings should be briefly outlined and if a Treasurer's Exemption was obtained, this should be noted.
- Appendix I – This appendix should only be completed if a RIS was prepared. Agencies should provide (at minimum) a summary of the alternatives investigated, their impacts, and why the recommended option was preferred.

If a RIS was required, the Decision RIS and the RGU's Compliance Assessment Notice should be provided to the Cabinet Services Branch with the submission.

It should be noted that the Cabinet Services Branch may return the Cabinet submission to the Minister if these procedures are not followed.

In addition, the Executive Council Guidelines detailing the requirements for subordinate regulation have been amended to provide for the RIA process and can be found on the Executive Council website. For instruments made by the Governor in Executive Council, agencies are required to state in the Executive Council Explanatory Note, whether the proposal has complied with the RIA process in the form of either a PIA, or a RIS, or whether a Treasurer's Exemption was obtained. The Regulatory Gatekeeping number should also be quoted.

APPENDIX 3

RIS Adequacy Criteria

Area of Adequacy	Is the level of analysis commensurate with the impact of the policy proposal?	Yes/No/ Comments
Statement of the Issue	Has the RIS clearly defined the issue to be addressed? Is there a justification for Government intervention such as: • market failure (such as a lack of or misleading information, presence of externalities or public goods, or use of excessive market power); or • regulatory failure (such as regulation that is not properly addressing the policy issue or is having undesirable effects). Is there sufficient evidence that: • a problem/issue exists (is data provided to support this)? • the significance of the problem/issue warrants Government intervention? • the probability of the problem/issue occurring is sufficiently high to warrant action? What are the consequences of maintaining the status quo (taking no action)?	Consultation RIS/ Decision RIS
Objectives	Has the RIS clearly and objectively articulated: • the policy objectives? • the outcomes, goals or targets in resolving the issue? Has relevant existing regulation, at all levels of Government, been documented, and demonstrated to not adequately address the issue? Objectives should not align or pre-justify a particular option.	Consultation RIS/ Decision RIS

Options to Address the Issue	Does the RIS contain: • a range of viable options including non-regulatory options? • a summary of key features of the viable options, and any assumptions underlying them? • a discussion regarding whether there is significant duplication or incongruity of the options with existing State, Local or Federal laws or policies? • some discussion of other jurisdictions' approaches?	Consultation RIS/ Decision RIS
Impact Analysis	In the RIS • are the groups in the community (i.e. individuals, Government including local government, business and consumers) likely to be impacted identified, and are the impacts on them specified? • are the economic, environmental, social justice, health, equity and other relevant impacts identified and discussed where appropriate? • are the implications on inter-jurisdictional trade in goods and services identified and discussed where relevant, with mutual recognition issues adequately considered? • are both costs and benefits for each viable option detailed, making use of quantitative information where possible, or otherwise qualitatively through objective discussion? • is there analysis on the extent to which each option achieves the policy objectives? • is the impact analysis supported by an acceptable level of evidence? • if an option establishes a Government owned (or part owned) entity to operate in competition with the private sector, are the competitive neutrality implications discussed?	Consultation RIS/ Decision RIS

Consultation	Does the Consultation RIS: • outline the consultation objectives and methodology? • provide details as to how and where submissions may be made? • identify likely target groups to be consulted? • give adequate timeframes for responses? and • request feedback from affected parties on the impacts of the various options, and their identification of additional feasible options not already outlined in the Consultation RIS? Does the Decision RIS address: • who was consulted, and the relevant timeframes given? • what form the consultation took (i.e. public/restricted; and verbal/written)? If restricted consultation only took place, was this appropriate? • key feedback from stakeholders on the options considered. In particular, if any significant concerns were raised about the preferred option, how did the agency authoring the RIS alter the proposal to address these concerns?	Consultation RIS/ Decision RIS
Preferred Option	In this section: • is there a clear statement as to what the preferred option is and why? Does it outline the net benefit to the community? • is the preferred option appropriate in that Government intervention does not create a market/regulatory failure; • is the preferred option evidence based and /or with a clear relationship to the outcome sought? • if restrictions on competition are recommended, are they the minimum necessary to achieve the objective? • if there are compliance, administrative or enforcement costs to business, consumers or Government, are they proportionate and reasonable to the objectives of the regulation? • is there a description of how the proposed regulation will co-exist with other regulation and how any regulatory or policy inconsistency will be addressed?	Decision RIS required
Implementation and Evaluation Strategy	Does the RIS provide information on how the preferred option will be implemented and on the review arrangements after it has been in place for some time?	Decision RIS required

Regulatory Impact Assessment Guidelines for Western Australia