

**Government Response to the
Report of the Regulations Review Committee**

on

***Inquiry into the ongoing requirement for individual
regulations and their impact***

**Presented to the House of Representatives
in accordance with Standing Order 253**

Government response to the Report of the Regulations Review Committee on its *Inquiry into the ongoing requirement for individual regulations and their impact*

Introduction

The Government welcomes the Regulations Review Committee's (the Committee) report entitled *Inquiry into the ongoing requirement for individual regulations and their impact* (the report).

The Government appreciates the Committee's concerns about maintaining the currency of regulations and the need for a more systematic approach to ongoing review of the currency of regulations. The Government recognises that regulations are a significant body of law, and issues of accessibility, transparency and impact on users are sometimes overlooked. The Committee's report is timely and consistent with the Government's focus on the quality of regulations and consideration of compliance costs.

The Government agrees to the recommendations relating to revoking spent regulations and revocation orders and Regulatory Impact Statements, and notes the Ministry of Economic Development is already implementing these latter recommendations.

The Government has directed further work be undertaken on the recommendations relating to creating a list of departmental responsibility, amending the CabGuide and a sunseting system.

The Committee has made eight recommendations to the Government. The Government responds to the report in accordance with Standing Order 253.

Recommendations and Government response

The Regulations Review Committee recommends to the Government that:

Recommendation 1:

The spent regulations listed in Appendix C and the spent revocation orders listed in Appendix D of the Committee's report be revoked, in consultation with the responsible Government department, using section 16 of the Acts and Regulations Publication Act 1989.

Response

The Government agrees with this recommendation.

Recommendation 2:

A publicly accessible list of departmental responsibility be produced and maintained for all regulations.

Response

The Government supports undertaking further work to investigate the desirability and feasibility of implementing this recommendation. The further work will be undertaken by the Ministry of Justice and Parliamentary Counsel Office, in consultation with other government departments including the Cabinet Office, and in collaboration with the Law Commission, and will be reported to Cabinet by 30 June 2009.

Recommendation 3:

The section in the CabGuide headed “Associated regulations” be amended to require any Cabinet paper associated with a proposal for a bill to list all existing regulations that could be revoked by the bill.

Response

The Government supports undertaking further work to determine the practical implications of implementing this recommendation. The further work will be undertaken by the Ministry of Justice and Parliamentary Counsel Office, in consultation with other government departments including the Cabinet Office, and in collaboration with the Law Commission, and will include consideration of:

- the scope of any requirement to consider the effect of a proposed bill on existing regulations, for example, whether such a requirement would apply regardless of the size and scale of any legislative amendment;
- the most effective mechanism for providing guidance and advice during the policy development process on considering the effect of a proposed bill on existing regulations. Options include inviting the Legislation Advisory Committee to include material in its guidelines, or the CabGuide;
- the most effective point in the Cabinet and legislative process for consideration to be given to existing regulations that could be revoked by a bill; and
- the appropriate reporting mechanism for ensuring compliance with any requirement to consider whether any regulations could be revoked.

The further work will be reported to Cabinet by 30 June 2009.

Recommendations 4 and 5

The Committee’s report be referred to the Law Commission for the development of a detailed proposal for the inclusion of a sunset system, applicable to all statutory regulations, in a statute (recommendation 4).

Statutory provision be made for a sunset system applicable to all statutory regulations reflecting the recommendations in the body of this report and any detailed proposal made by the Law Commission (recommendation 5).

Response

The Government considers that further work is necessary to evaluate the Committee's recommendations before any decisions are made on a sunseting system. The Government has directed the Ministry of Justice, in consultation with Parliamentary Counsel Office and other government departments as appropriate (in particular those departments with responsibility for a significant number of statutory regulations), and in collaboration with the Law Commission, to provide further advice to Cabinet by 31 December 2008 on:

- The inclusion of a sunseting system, applicable to all statutory regulations, in a statute; and
- The implications of such a system on departmental resources and Parliamentary Counsel Office law drafting resources.

Recommendation 6:

Clear guidelines be developed for the application of the minor or machinery nature exemption from the requirement to develop a regulatory impact statement.

Response

The Government agrees with this recommendation, and notes it is already being implemented by the Ministry of Economic Development.

Recommendation 7:

The audit function of the Regulatory Impact Analysis Unit of the Ministry of Economic Development include audits of proposals that claim exemption from the requirement to undertake a regulatory impact statement.

Response

The Government agrees with this recommendation, and notes it is already being implemented by the Ministry of Economic Development.

Recommendation 8:

Charities be treated in the same manner as businesses for the purposes of analysing compliance costs for regulatory impact statements.

Response

The Government agrees with this recommendation, and notes it is already being implemented by the Ministry of Economic Development. While the Government considers that the interests of charities and similar individuals or organisations are adequately addressed by the RIA requirements, as part of its programme of developing and distributing further guidance material to departments, the Regulatory Impact Analysis Unit will consider amending existing guidelines to ensure that assessing compliance costs on all affected parties (including charities) is included in the analysis.

Conclusion

The Government thanks the Committee for its report.

The Government agrees to the recommendation relating to revoking spent regulations and revocation orders and the recommendations relating to Regulatory Impact Statements, and notes the Ministry of Economic Development is already implementing these latter recommendations.

The Government supports undertaking further work to:

- investigate the desirability and feasibility of implementing the recommendation to create a list of departmental responsibility; and
- determine the practical implications of implementing the recommendation to amend the CabGuide.

This further work will be reported to Cabinet by 30 June 2009.

Further work will also be undertaken on the inclusion of a sunseting system, applicable to all statutory regulations, in a statute and the implications of such a system on departmental resources and Parliamentary Counsel Office drafting resources, to be provided to Cabinet by 31 December 2008.