



COMMISSIONER FOR
BETTER REGULATION

GPO Box 4379
Melbourne Victoria 3001
Telephone: 03 9092 5800

20 December 2016

Mr Simon Kent
Deputy Secretary
Policy Reform Group
Department of Education and Training
Ground Floor, 2 Treasury Place
East Melbourne, VIC 3002

Dear Mr ~~Kent~~ *SIMON,*

**REGULATORY IMPACT STATEMENT FOR THE EDUCATION AND TRAINING REFORM REGULATIONS
2017**

I would like to thank the staff of the Economics Advisory Unit in the Department of Education and Training (DET) for working with my team on the preparation of the Regulatory Impact Statement (RIS) for the proposed *Education and Training Reform Regulations 2017*.

As you know, the Commissioner for Better Regulation is required to provide independent advice on the adequacy of analysis presented in Regulatory Impact Statements (RISs) in Victoria, under section 10 of the *Subordinate Legislation Act 1994*. In doing so, the Commissioner's role is to advise on the adequacy or otherwise of the RIS overall, rather than on the merits of policy or regulatory proposals.

To be adequate, a RIS must be logical, draw on relevant evidence, be transparent about any assumptions made and be proportionate to the proposal's expected effects. The RIS also needs to provide a suitable basis for public consultation.

I am pleased to advise you that the final version of the RIS received by us on 20 December 2016 meets the adequacy requirements of the Act.

The proposed Regulations are to be made under the *Education and Training Reform Act 2006 (ETR Act)* and replace the current set of regulations which are sun-setting in 2017. They cover a diverse range of policy and regulatory issues, including:

- the registration of government and non-government schools, and other education providers;
- home schooling;
- governance arrangements for government school councils and parents' clubs;
- specific requirements for government schools, such as admissions, and student behaviour;
- transport and travelling allowances for students; and
- other issues, such as eligibility for certain scholarships.

Our assessment of this RIS is based on the *Victorian Guide to Regulation*, which requires that RISs prepared for sunseting regulations:

- evaluate the effectiveness and impact of the current regulations over the last ten years;
- assess whether the circumstances in which these regulations operate have changed over the last ten years;
- examine whether, ten years on, there are any new or alternative approaches that could better achieve the Government's objectives; and
- undertake a proportionate analysis of the impacts of the proposed regulations, including quantification of the benefits and costs when the impacts are high.

In reaching our assessment of this RIS as adequate, we note that, in addition to the requirements of the ETR Act, there are a large number of other Acts, Regulations, Ministerial Orders and Departmental policies that apply to these matters. The Department has therefore sought to disentangle the complex effects of these various requirements to focus the analysis in the RIS on the incremental impacts of the proposed Regulations.

The RIS notes that there is limited data available to inform the evaluation of the current regulations. Consequently, the analysis of the impact of many of the proposed Regulations is qualitative, based on the judgements or assumptions of the Department. Stakeholder feedback on this RIS will be particularly valuable in informing the Department's understanding of the actual benefits and costs of the proposed regulations.

Importantly, the RIS sets out the steps that the Department will take to address these data gaps – through evaluation plans and the development of relevant performance indicators. These will inform a mid-cycle review of the proposed regulations for home schooling and school registration in 2022, aimed at improving regulatory design and practice over time.

As you know, one of the functions of my office is to support departments in developing and implementing evaluation plans. We welcome the opportunity to work with you and your colleagues as you develop these plans ahead of the mid-cycle review.

It is government practice that this letter be published with the RIS when it is released for public consultation.

Should you wish to discuss any subsequent changes to the proposed regulations with us, please do not hesitate to contact me on (03) 9092 5800.

Yours sincerely



Anna Cronin
Commissioner for Better Regulation