

Occupational Regulation Framework

The Ministry of Economic Development is the lead agency for Occupational Regulation and as such must be consulted on all occupational regulation policy going to Cabinet or a Cabinet Committee.

The *Policy Framework for Occupational Regulation: a guide for government agencies involved in regulating occupations* [http://www.med.govt.nz/buslt/bus_pol/policyframework/] was developed by an inter-departmental working party to help policy makers when regulating occupations. This framework was agreed to by Cabinet in 1998.

The Regulatory Policy team is revising and updating the guidance material available on occupational regulation. We are building on the current framework as well as incorporating more ideas from the Regulatory Impact Analysis framework for policy development. The new guidelines will include more guidance on issues such as the international dimension to policy development and considerations surrounding transitional arrangements.

We also want to include examples of occupational regulation developed recently to help policy makers when developing new regulation. These examples will be of regimes and policy processes departments have implemented. Our aim is that a policy maker can get ideas to help them with issues they are tackling through seeing how others have addressed similar issues. The guidance will also provide information about people/agencies that policy makers can talk to about their experiences.

The new guidelines will be available on the regulatory portal that is being developed, and will link into other sections of the portal that provide further information about the various steps of the policy development process. (For more information on the regulatory portal, please see issue 2 of *The Regulatory Review* [<http://www.med.govt.nz/buslt/compliance/regulatory-review/002/>].)

What is Occupational Regulation?

We use the term "occupational regulation" to refer to any controls on the ability for individuals and businesses to provide services, or any constraints on the way that those services are provided. This includes traditional forms of regulatory controls on professions, for example, registration of doctors and plumbers. However, other types of controls such as government purchasing or vetting of service providers also have a potentially significant effect on a market for services, and should be considered in the context of the occupational regulation framework.

If you would like further information on occupational regulation, would like to discuss an occupational regulation proposal, or would like to share your experiences with developing occupational regulation policy, please contact either Bronwyn Turley on 04-470 2331 or bronwyn.turley@med.govt.nz or Stephanie Glover on 04-474 2901 or stephanie.glover@med.govt.nz.

Newsflashes

➤ RIS/BCCS Headings Template

Some of you might not be aware of the 'headings template' we have developed to assist policy makers when writing RIS/BCCSs.

The template of the full headings that need to be used in RIS/BCCSs is available at: <http://www.med.govt.nz/buslt/compliance/risbccs/word-template/>.

This template can be downloaded and used when writing RIS/BCCSs to save time.

Survey on the RIS/BCCS Guidelines

Many readers will be aware that the Regulatory Policy team is currently undertaking a review of the Regulatory Impact Statement regime and the guidelines for writing Regulatory Impact Statements and Business Compliance Cost Statements (RIS/BCCSs). As noted in our last issue of the Regulatory Review, the team is very keen to obtain thoughts and observations from analysts across government to help inform the review of the guidelines. To facilitate this, a survey was disseminated in mid-January to all contacts that had previous experience in writing a RIS.

The principal aim of the survey was to invite analysts to provide comments on how useful they find the current guidelines in terms of writing a RIS/BCCS and to provide suggestions on areas where better guidance could be made available. A number of important themes emerged from the responses received. These issues will be addressed within the drafting of the new guidelines, which should help ensure that the guidelines are clear, comprehensive, and above all, useful.

The main themes to emerge from the survey were as follows:

- We were encouraged to learn that many analysts consider the current guidelines useful (61% of the respondents found the RIS guidelines “useful”, and 36% found them “somewhat useful”). This confirms that we’re working from a solid base and that the focus of the review should be around incremental improvements rather than wholesale rewriting.
- Many analysts would like greater guidance on issues such as ‘what are compliance costs’ and ‘when is a RIS required’. These issues are obviously fundamental to the RIS regime and attention will be given to ensuring that adequate guidance is given in the revised guidelines. More examples and case studies were also requested.
- It was also noted that the current guidelines infer a greater degree of discretion than is available when consulting with the Regulatory Impact

Analysis Unit (RIAU). This is likely to be a direct function of the fact that the guidelines were written prior to the establishment of the RIAU and that the RIS regime has evolved since its introduction in 1999. The revised guidelines will reflect current practice in content and presentation of RISs and will detail the review process with the RIAU.

- The Hints and Tips Sheet has been well received, although not everyone is aware of it. (For those that have not yet seen this two-page summary of how to write a RIS, it can be found at <http://www.med.govt.nz/buslt/compliance/risbccs/hints-tips/>).
- We note that the four-page limit is often seen as unrealistic, particularly where additional information is requested by the RIAU. This page limit guide was set by Cabinet and reflects the limited timeframes available to Ministers to read a number of lengthy documents. However, it should be treated as a ‘rule of thumb’ guide and note should be taken that for more complex or significant proposals, it is appropriate for the RIS to be longer than four pages. The RIAU can offer advice in relation to specific proposals.

The RIAU is still happy to receive any comments on the current guidelines should anyone have missed the opportunity to respond to the survey. These comments should be sent to robyn.henderson@med.govt.nz before the end of May 2005. Within the next month the RIAU will be introducing a further on-going survey on the service it provides to departments in reviewing RIS/BCCSs. This survey will be sent to individual authors of RISs and will seek feedback on their experience in preparing their RIS and working with the RIAU.

It is anticipated that the revised guidelines for writing RIS/BCCSs should be available for use by departments by mid 2005. A departmental review process is planned prior to their finalisation so anyone interested in being involved in this process should contact Robyn Henderson on 04-474 2948, or robyn.henderson@med.govt.nz.

Visit from the Danish Ministry of Finance

In December last year, the Team hosted Louise Saabye Høst from the Danish Ministry of Finance for a three-day visit. Louise works for the Better Regulation Division of the Ministry, which has similar functions to the Regulatory Policy team. She was interested to learn more about New Zealand's approach to regulatory quality issues, as well as our experiences with sector regulation and de-regulation. While she was here, Louise met with a number of people, both from within MED and other government agencies. Louise's visit is representative of the deepening relationships we are building with our counterparts in other countries, which are also supported through our involvement in regulatory quality fora within APEC and the OECD.

Team Changes

We would like to introduce Willie Lewis, who joined our team in February:



Housekeeping

➤ Publication of RIS/BCCSs on websites

In 2001 Cabinet agreed that a Regulatory Impact Statement that included a Business Compliance Cost Statement (RIS/BCCS) must be lodged on the respective department's website and that the department's website link for each RIS/BCCS must be sent to the Ministry of Economic Development for publication on our dedicated site.

In order to meet the publication requirement (set out in Cabinet Office Circular CO (01) 2) you need to:

- Obtain your Minister's approval for publication (e.g. include a recommendation in your Cabinet paper that the RIS/BCCS be published);
- Put it on your website as soon as possible; and
- Send your website link to ris-bccs@med.govt.nz for it to be published on MED's dedicated site.

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