



Victorian
Competition & Efficiency
Commission

4 September 2012

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Dear Dr Lanyon

ADVICE ON THE ADEQUACY OF REGULATORY IMPACT STATEMENT

Thank you for seeking advice on the Regulatory Impact Statement (RIS) on the proposed *Associations Incorporation Reform Regulations 2012*.

The Victorian Competition and Efficiency Commission (VCEC) advises on the adequacy of RISs as required under section 10(3) of the *Subordinate Legislation Act 1994* (the Act). I advise that the final version of the RIS received by the VCEC on 4 September 2012 meets the requirements of section 10 of the Act.

The VCEC's advice is based on the adequacy of the evidence presented in the RIS and is focused on the quality of the analysis rather than the merits of the proposal itself. **Therefore, the VCEC's advice that the RIS is adequate does not represent an endorsement of the proposal.**

The VCEC notes that the preferred option involves larger associations cross-subsidising smaller associations through differential fees for lodgement of financial statements. The RIS transparently explains the rationale used to determine this approach, and uses specific questions to obtain stakeholder feedback on this and other issues.

It is Government policy that, in the interests of transparency, VCEC's advice be published with the RIS when it is released for public consultation.

If you have any questions, please contact RegulationReview@vcec.vic.gov.au.

Yours sincerely

Andrew Walker

Assistant Director

Victorian Competition and Efficiency Commission