



MASTERS OF OUR INDUSTRY

Master Builders Association of Victoria

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12 March 2013

The Secretary
Environment and Planning Legislation Committee
Legislative Council
Parliament House
Spring Street
MELBOURNE VIC 3002

Dear Sir

Thank you for the opportunity to provide input into the Environment and Planning Legislation Committee's inquiry into the Regulatory Impact Statement (RIS) process.

The Master Builders Association of Victoria is the peak body representing employers in Victoria's building and construction industry. Our membership consists of more than 9500 builders, subcontractors, manufacturers/suppliers and students. More than 50 per cent of our members are small businesses with an annual turnover of \$2 million or less.

The RIS process has a vital role in improving government decision-making and must be rigorous in determining the most efficient and appropriate option that meets the needs of government, whilst minimising regulatory burdens for businesses. This should be assessed according to the risks, costs and benefits to parties associated, and include thorough consultation with relevant stakeholders.

Master Builders would like to emphasise the importance of independence in the RIS process and question the credibility of consultants engaged to prepare these documents in circumstances where we believe the cost and benefits of the regulatory option have been trivialised. Examples where this has been a concern for the building and construction industry include disabled access to housing and 4/5 star energy ratings, where we believe the impacts to the sector were not appropriately accounted for in the RIS process.

Protocols also need to be in place to ensure that affected businesses, the not-for-profit sector and community groups have the ability to question RIS findings prior to final decisions being made.

Based on these factors, Master Builders believes that the credibility of the RIS process is at risk. To prevent either departmental or political influence subverting the intention of a fair and unbiased analysis of any regulatory proposal that the Auditor General take responsibility for undertaking random reviews to ensure that various stakeholders were satisfied in the quality and transparency of the RIS process.

If have any questions regarding this matter, please contact Tim Salathiel, Policy and Communications Manager, on (03) 9411 4515.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Brian Welch', with a long horizontal flourish extending to the right.

Brian Welch
Executive Director