

# Ministerial Statement of Expectations

## Safety, Rehabilitation and Compensation Commission

The Australian Government agreed to portfolio Ministers issuing a Statement of Expectations to their portfolio agencies. A Statement of Expectations enables Ministers to provide greater clarity on the objectives and priorities of the Government's deregulation agenda relevant to portfolio agencies.

The Safety, Rehabilitation and Compensation Commission plays an important role in the continued improvement of work health and safety, rehabilitation and workers' compensation in the Commonwealth jurisdiction. As established under the *Safety, Rehabilitation and Compensation Act 1988* (the Act), the Safety, Rehabilitation and Compensation Commission provides sound advice to jurisdictions and the Minister on work health and safety issues, monitors compliance of licensees and sets targets for safety improvement.

The Minister may, in writing, give directions to the Safety, Rehabilitation and Compensation Commission concerning the performance of its functions, and the exercise of its powers as set out under Section 89D of the Act. This Statement of Expectations outlines the objectives and priorities that the Safety, Rehabilitation and Compensation Commission is expected to observe in conducting its operations with respect to its regulatory functions, consistent with the Government's deregulation agenda.

### THE GOVERNMENT'S DEREGULATION AGENDA

The Government is committed to reducing red tape for business and the community as part of its broader framework towards improving Australia's productivity. It has committed to reduce regulatory compliance costs on business, community organisations and individuals by at least \$1 billion a year.

The Government expects that the Safety, Rehabilitation and Compensation Commission will:

- look for opportunities to reduce compliance costs for business, community organisations and individuals and to contribute to the Government's annual red tape reduction target
- act in accordance with regulatory best practice in its decision-making, policies, processes and communication practices to maximise transparency and minimise compliance costs
- seek to balance the effort of complying with the outcomes and benefits of regulation, in any instance where regulation is deemed necessary
- comply with the enhanced Regulatory Impact Statement requirements as outlined in the *Australian Government Guide to Regulation* and in accordance with other material issued by the Department of the Prime Minister and Cabinet
- consider adopting a risk-based approach to compliance obligations, engagement and enforcement allowing for proportionate approaches suited to the risk of regulated entities

- use international standards and risk assessments where appropriate and in accordance with guidance material issued by the Department of the Prime Minister and Cabinet
- apply the Regulator Performance Framework to its regulatory functions to assess its performance and engagement with stakeholders and make results publically available
- consider the specific impact of a regulatory proposal on small business in its decision-making process.

#### **RELATIONSHIP WITH THE DEPARTMENT OF EMPLOYMENT**

- The Department of Employment supports and advises the Employment portfolio Ministers in its responsibility as the primary source of advice on policy development and the performance of the portfolio's regulatory systems.
- The Minister expects that the department and the Safety, Rehabilitation and Compensation Commission maintain a collaborative working relationship to communicate the objectives of the deregulation agenda and to report progress on regulatory reforms delivered by the Employment portfolio to the Government.
- The Safety, Rehabilitation and Compensation Commission should work closely with the Deregulation Unit to advise the Minister of regulatory reform opportunities and of the implications of the Government's policy initiatives on the regulatory framework. The department takes into account the knowledge and expertise of the Safety, Rehabilitation and Compensation Commission when considering changes to policy and legislation that impact on work health and safety, rehabilitation and workers' compensation.