

TABLE 2

FORMAL POLICIES FOR REGULATORY ANALYSIS IN OECD COUNTRIES

(See definition notes at bottom of table)

	<i>Type of Analysis and Date Begun</i>	<i>Required by</i>	<i>Scope of coverage</i>	<i>Analysis Performed by</i>	<i>Purpose and Decision Criteria</i>	<i>Public Disclosure?</i>	<i>Quality Control?</i>
AUSTRALIA Commonwealth (Federal Level)	B/c, 1985	Cabinet policy, some laws	Bills, lower-level rules, & decisions with regulatory effects that have business impacts	Regulators	To inform decisions	Yes. Circulated for review	Independent review by Industry Commission. Guidance issued
State of New South Wales	B/c, 1989; c/e where b/c is "impractical"	Law	Lower-level rules "as far as reasonably practical"	Regulators	To inform decisions	Yes. Circulated for review	Some advice by independent body in Cabinet office, parliamentary committee
State of Queensland	B/c, 1990, expanded 1995	Cabinet policy, law since 1995	Lower-level rules with "appreciable" costs	Regulators	B/c and c/e tests are preferred, but not mandatory	Yes. Circulated for review	Independent review by Department of Business, Industry, and Regional Develop
State of Victoria	B/c, 1984	Cabinet policy, law since 1994	Lower-level rules "with appreciable burdens"	Regulators	Regulations "should not normally proceed" if b/c test is not met	Yes. Circulated for review	Regulators required to seek "independent advice" from experts parliamentary committee.
AUSTRIA	Fiscal analysis recommended, 1992	Federal Chancellery Guidelines	Bills	Regulators	To inform decisions, support cost-accounting system and support cost reduction,	No.	Guidance issued regulators. Guidance issued
CANADA	"Socio-economic impact analysis" (SEIA), 1977; general impact analysis, 1986; b/c and c/e, 1992	Treasury Board Decision, under authority of Financial Administration Act	All lower-level federal rules requiring ministerial approval. "Quick test" for "low-cost" rules, full b/c for rules with present value costs over C\$50 million	Regulators	Provide "accurate estimates" of impacts to inform ministerial decisions that regulation results in "greatest net benefit"	Yes. All RIAs published in draft form in national gazette	Advice by Treasury Board Secretariat. Guidance issued

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FINLAND	General impact analysis, distributional, and fiscal analysis, including impacts on municipalities, mid-1970s; expanded in 1990	Law, Cabinet instructions on drafting bills	Bills, lower-level rules	Regulators, or working group drafting rules	To inform decisions	Only for bills when submitted to Parliament	Responsibility of regulators. No guidance issued
GERMANY	Not mandatory. B/c and budget cost analysis suggested by Blue Checklist, 1984; requirements for "effects: and "practicality" analysis expanded in 1989	Government Resolutions	Bills, lower-level rules, and (since 1989) rules internal to the administration	Regulators	Help determine if rule is "necessary" and "likely to be No.effective", and to calculate budget costs for all levels of government	No.	Responsibility of regulators. No guidance issued
ICELAND	Fiscal analysis. General impact analysis would be required by bill under preparation, 1995	Law (prepared in 1995)	Bills, lower-level rules, decisions of general character (proposed)	Regulators	(Under proposed bill) To inform decisions in Cabinet and Parliament, to enhance accountability	(in proposed bill) Only for bills when submitted to Parliament	(in proposed bill). Responsibility of regulators. Provisions for ex post complaints by public. No guidance yet
JAPAN	Benefits test for permits, 1987; general impact analysis as considered "necessary," by regulators, 1988	Cabinet decisions	All permit and authorisation rules; "social regulations" (for general impact analysis)	Regulators	To clarify the need for regulation	No.	Responsibility of regulators. No guidance issued
NETHERLANDS	General impact analysis, 1985	Prime Ministerial Directives	Bills and lower-level rules	Regulators	To inform decisions in Parliament	Yes, upon publication or submission to Parliament	Advice by other ministries, particularly Ministry of Justice and Ministry of Economic Affairs; review by independent Council of State
NEW ZEALAND	Fiscal analysis; compliance cost assessment, 1995 (proposed)	Cabinet Policy	Bills, lower-level rules, and other decisions with "substantive" compliance costs (proposed)	Regulators	To inform decisions, support goal of "eliminating excessive compliance costs"	Not required	Responsibility of regulators. Oversight by Deputy Minister of Finance (proposed)

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NORWAY	"Consequence analysis," 1985; emphasis on economic costs, 1995 Fiscal analysis	Cabinet instructions, some laws Policy directive	Bills, lower-level rules, recommendations for policy decisions Bills and lower-level rules	Regulators Regulators	To inform decisions, b/c analysis recommended, but no b/c test Control public expenditures -- must respect budget decisions	Not required, but usually released during consultation process No.	Responsibility of regulators. Some guidance issued by individual ministries Finance Ministry
PORTUGAL							
SWEDEN	"Consequence", distributional and fiscal analysis, often including b/c and c/e, 1987; for bills, 1994 Business cost assessments, 1985	Cabinet Ordinance; guidance from PM (for bills)	Lower-level rules, weaker recommendations for bills	Regulators	To inform decisions and to support consultation with affected groups	Yes. Circulated to affected groups in draft	Independent review by National Audit Bureau. Guidance issued
UNITED KINGDOM							
UNITED STATES	Inflation impact assessment, 1974; b/c, 1977; expanded in 1981, revised in 1993	Cabinet Policy Presidential order, some laws	Bills and lower-level rules at national level with business impacts All "major" lower-level rules at federal level, unless forbidden by law, with costs of more than US\$100 million/yr	Regulators Independent office, 1976-1980, regulators since 1981	Make decision process more transparent, and clarify costs to businesses to support policy of reducing regulatory costs Demonstrate that rule meets strict b/c and c/e tests	Yes. Made public as part of final review by parliamentary committee. Published in summary ex post	Responsible ministers, independent review by Department of Trade and Industry. Business task force reviews a sample on ex post basis. Guidance issued Independent review by presidential Office of Management and Budget. Guidance issued

- RIA
- Regulatory impact analysis
- Bills
- Proposed laws prior to submission to legislature
- Lower-level rules
- Regulations made by Cabinet, ministers, or regulatory agencies under delegated authorities
- General impact analysis
- Assessments of impacts without specifying a specific methodology
- B/c
- Benefit-cost analysis
- B/c test
- Requirement that the regulation produces net social benefits (benefits exceed costs)
- C/e
- Cost-effectiveness analysis
- C/e test
- Requirement that the regulation maximises net benefits or minimises net costs (compared to other options, the regulation produces the highest b/c ratio)
- Fiscal Analysis
- Quantifying the direct budget costs for government administration

