

From: (RG TAD)
Sent: Tuesday, 6 March 2012 11:53 AM
To: ; RG TAD Costings & Quantitative Analysis Unit
Subject: RE: Cost Benefit Analysis - Low Value Import Threshold Taskforce

Security Classification:

I suspect that if they follow the approach set out in a handbook that will be a head start on the process. In terms of identifying costs and benefits for including in the analysis, I would suggest the process should include:

- An evaluation of claims set out in submissions, to sort out what elements are included in the C-B analysis from that source;
- A roundtable of policy officers (e.g. use the Tax Policy Network) to identify any additional C-B elements;
- In a C-B analysis, the elements will not just be those which can be quantitatively identified, but also qualitative and the analysis will need to include how to attach weights to the various arguments;
- Consideration will need to be given to 'offset' elements, for instance if employment impacts are a consideration, how does that work in an economy with close to full employment.

For the mill.

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From:
Sent: Tuesday, 6 March 2012 9:55 AM
To: RG TAD Costings & Quantitative Analysis Unit
Subject: FW: Cost Benefit Analysis - Low Value Import Threshold Taskforce

Does anyone have any insights we could share into the request below?

The only thing I can think of is the Regulation Handbook put out by DOFD (and speaking to them as well), which goes into costs and benefits.

From:
Sent: Tuesday, 6 March 2012 9:19 AM
To:
Subject: Cost Benefit Analysis - Low Value Import Threshold Taskforce

Hi

The Low Value Import Threshold (LVIT) Taskforce have identified that they will need to do a cost benefit analysis for options they may potentially provide to lower the threshold. I am not sure if you can help me with this but

() said that I should give you a go first. Essentially, the taskforce have asked us what the process is for completing the cost benefit analysis or whether there is someone they could talk to about it.

At this stage I was just going to provide them with the *Handbook of Cost-Benefit Analysis* (2006), however if you are aware of someone I could direct them too, or whether there is a more defined process that they must go through, that would be of great help. As a part of the process the Taskforce will have to get information from private sectors, so as to put a value on the respective impacts, is this something that TAD is usually involved in?

I am sorry if this request makes no sense, did mention that TAD may not have any answers in this area. Perhaps Finance may be the best place to direct them?

Cheers

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