

## ATTACHMENT B

### BUSINESS REGULATION AND COMPETITION WORKING GROUP

#### Objectives:

- to accelerate and broaden the regulation reduction agenda;
- to accelerate the existing COAG hot spots agenda;
- to improve processes for regulation making and review; and
- to deliver significant improvements in Australia's competition, productivity and international competitiveness.

Achieving these objectives would increase productivity in Australia by reducing the regulatory burden on business, particularly where regulation falls across jurisdictional boundaries, and by re-energising the micro-economic reform process.

#### *Regulatory Reform*

**COAG agreed** a broad and bold regulatory reform agenda, involving 27 regulatory reform areas identified by the Working Group where progress will be achieved in 2008. These reforms will help deliver significant improvements in Australia's competition, productivity and international competitiveness, making it easier for companies and governments to do business in Australia. The 27 areas agreed by COAG for action, and set out in more detail in the Implementation Plan, are:

- national harmonisation of occupational health and safety (OH&S) laws. COAG agreed that this is a top priority and that its commitment to harmonisation would be reflected in an Intergovernmental Agreement by May 2008, with model legislation to be developed and submitted to the Workplace Relations Ministers' Council by September 2009 - COAG further agreed that governments should aspire to reduce the five-year implementation timeframe for OH&S and that it would consider the scope for a reduced implementation timetable at its meeting in July 2008;
- early action and progress in 2008 on a further 12 areas, including existing hotspots and new areas of reform, covering: environmental assessment and approvals bilaterals; payroll tax administration; trade licences; the Health Workforce Intergovernmental Agreement; national trade measurement; rail safety regulation reform; the consumer policy framework; product safety; trustee companies; mortgage credit and advice; margin lending; and, non-deposit taking institutions;
- significant progress to be made in accelerating the five remaining COAG hotspots - development assessment; building regulation; chemicals and plastics regulatory reform; Australian Business Number and business names registration; and Personal Property Securities reform;
- nine new areas to be added to COAG's regulation work program, covering standard business reporting; food regulation; a national mine safety framework; electronic conveyancing; upstream petroleum (oil and gas) regulation; maritime safety; wine labelling; directors' liabilities; and financial service delivery; and
- in relation to upstream petroleum, COAG agreed that the Productivity Commission undertake a review on the regulation of crude oil and natural gas projects that involve more than one jurisdiction and report back to COAG by April 2009.

**COAG also agreed** on the importance of ensuring the ongoing flow of new regulation is stemmed through a culture of continuous improvement. COAG asked the Working Group to report to it by the end of 2008 on possible further improvements to both regulation making and review, including examining processes to ensure no net increase in the regulatory burden and common start dates for legislation. COAG also asked the Working Group to consider whether further reforms are needed to ensure jurisdictions have best-practice regulation and review processes in place by end 2008:

- COAG noted that ensuring that the costs of both new and existing regulations are minimised is vital to reducing costs to businesses and consumers and to promoting improvements in Australia's productivity and competitiveness. This can be done by undertaking robust gatekeeping and impact assessment on the flow of new regulations and by also reviewing the stock of existing regulation; and
- under National Reform Agenda initiatives agreed by COAG in April 2007, jurisdictions are committed to maximising the efficiency of regulation, including through improvements to gatekeeper mechanisms, impact analysis and measuring compliance costs, by undertaking annual reviews to reduce the burden of regulation and by working with the Productivity Commission on its benchmarking study into the compliance cost of regulation. Jurisdictions are also committed to maintaining the impetus given to regulation reform in 2008.

### *Competition Reform*

**COAG further agreed** the importance of implementing COAG's existing competition reform agenda as this will deliver significant improvements in Australia's competition performance, productivity and international competitiveness. COAG agreed the specific recommendations of the CRC in relation to the existing competition reform agenda.

**COAG also agreed** that the Working Group report back to COAG by the end of 2008 on new areas of competition reform including:

- appropriate models for future regulation of national markets such as for water trading, the energy market, consumer policy and regulation affecting national workforce mobility;
- unfinished National Competition Policy business; and
- other new competition reforms.