

Attachment 1**Terms of Reference**

1. The Export Control Act 1982 (the Act), and associated regulations and orders, are referred to the Review Committee (the Committee) for evaluation and report by 31 August 1999. The Committee is to focus on those parts of the legislation which restrict competition, or which impose costs or confer benefits on business.
2. The Committee is to report on the appropriate arrangements for regulation, if any, taking into account the following objectives:
 - a) legislation/regulation which restricts competition should be retained only if the benefits to the community as a whole outweigh the costs; and if the objectives of the legislation/regulation can only be achieved by restricting competition. Alternative approaches which may not restrict competition include co-regulation, quasi-regulation and self regulation.
 - b) in assessing the matters in (a), regard should be had, where relevant, to effects on the environment, welfare and equity, occupational health and safety, economic and regional development, consumer interests, the competitiveness of business including small business, and efficient resource allocation.
 - c) the need to promote consistency between regulatory regimes and efficient regulatory administration, through improved coordination to eliminate unnecessary duplication.
 - d) compliance costs and the paper work burden on small business should be reduced where feasible.
3. In making assessments in relation to the matters in (2), the Committee is to have regard to the analytical requirements for regulation assessment by the Commonwealth, including those set out in the Competition Principles Agreement. The report of the Committee should:
 - a) identify the nature and magnitude of the social, environmental or other economic problem(s) that the Act seeks to address.
 - b) clarify the objectives of the Act.
 - c) identify whether, and to what extent, the Act restricts competition.
 - d) identify relevant alternatives to the Act, including non-legislative approaches.
 - e) analyse and, as far as reasonably practical, quantify the benefits, costs and overall effects of the Act and alternatives identified in (d).
 - f) identify the different groups likely to be affected by the Act and alternatives.

- g) list the individuals and groups consulted during the review and outline their views, or reasons why consultation was inappropriate.
 - h) determine a preferred option for regulation, if any, in light of objectives set out in (2).
 - i) examine mechanisms for increasing the overall efficiency, including minimising the compliance costs and paper burden on small business, of the Act and, where it differs, the preferred option.
- 4 In undertaking the review, the Committee is to advertise nationally, consult with key interest groups and affected parties, and publish a report.
5. Within 6 months of receiving the Committee's report, the Government intends to announce what action is to be taken, after obtaining advice from the Minister and where appropriate, after consideration by Cabinet.