ECONOMIC PLANNING ADVISORY COUNCIL BILL 1983

Date Introduced: 19 May 1983
House: House of Representatives
Presented by: Hon. P.J. Keating, M.P., Treasurer

Short Digest of Bill

Purpose

To establish an Economic Planning Advisory Council.

Background

The simultaneous existence of high unemployment and high inflation, together with the difficulty in stimulating economic growth without increasing the rate of inflation, has led a number of people, to look at prices and incomes policy as a tool of economic management.

Furthermore, Australia's relatively poor economic performance over the past three decades has prompted many people to advocate the introduction of some form of economic planning. Since the post-war reconstruction period, Australia has been one of the few industrialised countries to have no mechanism for any form of national economic planning. Proposals were made in 1965 by the Committee for Economic Inquiry (Vernon Committee) to establish an Advisory Council on Economic Growth but these were rejected by the Menzies Government.

The Economic Planning Advisory Council (EPAC) is a key institution through which the Government hopes to implement its prices and incomes policy, and the major institution through which it hopes to introduce economic planning to Australia. Previous proposals for establishing a separate economic planning division within Treasury have been, for the moment, abandoned. The Statement of Accord by the Australian Labor Party and the Australian Council of Trade Unions, ratified in February 1983, committed the Government to implementing "detailed economic planning" by establishing EPAC with responsibility for advising the Government on "planning procedures, prospective economic developments, and appropriate policies to achieve the Government's objective(s)". This commitment to EPAC also appears in the ALP's 1983 policy speech. The National Economic Summit Conference of 11-14 April 1983 resolved that
there was agreement that EPAC should be established to "continue the process of consultation begun at the conference", and to implement "broad indicative planning", and resolved that EPAC should include representatives of Federal and State governments, business, farmers, trade unions and community support groups.

Outline

The Bill outlines the objects, functions and constitution of EPAC. The Council will be established as a statutory body comprising seventeen members of whom three will be Commonwealth Ministers and three will be representatives of state governments, including the Northern Territory. The remainder will be chosen by the Government as representatives of business (three members), farming (one member), trade union (four members), local government (one member), welfare (one member), and consumer and community (one member) groups.

The objects of the Council are to provide a broadly based source and channel of information on economic matters to assist the Commonwealth Government in making economic policy decisions, to provide a forum for community participation in the development and formulation of economic policy and to undertake medium and longer term economic assessments. EPAC will advise on feasible and desirable economic goals and targets, and on policies to realise the economy's potential for achieving sustained economic growth.

The Commonwealth Government will meet the budgetary costs associated with the establishment and running of EPAC. These will mainly reflect the costs of staffing and maintaining the Secretariat which is to be located in Canberra.

Main Provisions

By Clause 4, EPAC is established as a statutory body. Clause 5 defines the objects of the Council while the functions are outlined by Clause 6.

Clause 7 sets out the procedure whereby the Minister can withhold publication of a report or part of a report if he considers such publication not to be in the public interest.

Clause 8 provides the Council with the power to do all things necessary or convenient for the performance of its functions.
Clause 9 deals with the membership of EPAC. The Prime Minister will be the Chairman, and the Treasurer will be the Deputy Chairman of the Council. The non-Government members will be appointed after consultation with the groups they are intended to represent. As far as practicable, both men and women will be represented on EPAC.

Clause 10 sets out the terms of tenure. Representatives of State Governments shall hold office for two years, and non-Government members for up to four years.

Under Clause 13, members must disclose any pecuniary interest in a matter under consideration and cannot take part in deliberations regarding that matter unless the Council or the Governor-General decides otherwise.

Clause 14 sets out the circumstances under which the appointment of certain members may be terminated.

By clause 18, which outlines the method by which meetings are to be called and the procedures to be followed at meetings, the members who are Commonwealth Ministers will not vote on questions relating to advice to be given to the Commonwealth Government in a policy report.

Clauses 19-21 set out the arrangements for committees of EPAC, which may include people who are not members of EPAC.

Clause 22 provides that the staff of the EPAC Secretariat will be employed under the Public Service Act 1922. By Clause 24, the Council may engage consultants.

Other provisions deal with expenses of members (Clause 11), resignation (Clause 12), substitute and acting members (Clauses 15-17), staff secondment (Clause 23), secrecy (Clause 26), the furnishing of annual reports (Clause 27), and regulations (Clause 28).

A detailed explanation of the clauses is provided by the Bill's Explanatory Memorandum circulated by the Treasurer.

For further information, if required, contact:

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