



PRIME MINISTER

FOR MEDIA

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At its meeting today, the Economic Planning Advisory Council (EPAC) focussed attention on medium to longer-term economic growth and on its work program for the next 12 months.

The Council considered a paper on Medium to Longer-term Trends Affecting Australia's Economic Growth, prepared by the Office of EPAC under the direction of a Council Working Party. The paper, to be released publicly next week, identifies trends likely to have a significant impact on Australia's economy and society in the medium to longer term. These trends are among the sources of the major challenges likely to confront government over a medium to longer-term horizon. EPAC had requested the preparation of the paper at its last meeting as a further step in the process of its development of a detailed view on medium-term economic policy issues. This work builds on the statement on medium to longer-term economic policy agreed by EPAC in March 1984.

Council agreed that the paper should play an important role in drawing attention to the economic environment Australia now faces. EPAC saw itself as having a responsibility to bring economic realities to the attention of the community generally and to make it clearly understood what our economy can achieve in the foreseeable future. Of particular importance are:

- . continuation of the high growth rates of the last two years will be necessary for a significant period of time to make further inroads into unemployment,
- . achievement of high growth rates for an extended period will require concerted efforts, and
- . the external constraints on our economic potential must be recognised and domestic policies must be based on a clear understanding of these constraints.

Council's discussion of the paper on trends affecting Australia's economic growth crystallised into a consideration of major issues for attention in the word program for the remainder of 1985-86. While deferring to its next meeting finalisation of the details of specific projects for consideration, EPAC agreed that two major themes should form

the basis for the papers to be prepared by the Office for EPAC meetings during the coming year:

- . the size of government and its economic impact, and
- . regeneration of Australian industries.

It was also agreed that the Office would continue to provide timely indicators of economic performance to assist Council in monitoring the state of the economy and forming views on medium-term economic issues.