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# PRIME MINISTER

**STATEMENT BY THE PRIME MINISTER, THE HON PJ KEATING, MP**

## **EPAC TASK FORCE ON PRIVATE SECTOR INVOLVEMENT IN PUBLIC INFRASTRUCTURE**

Today I have asked EPAC, the Economic Planning Advisory Commission, to establish a task force to investigate and report on private sector involvement in the funding, management and control of public infrastructure.

It is critical for Australia's economic performance and social well-being that we have adequate public infrastructure, in the form of facilities for transport, communications and the provision and transmission of electricity, gas and water, and that these facilities are used in the most efficient manner.

Governments will continue to have the major role in provision of public infrastructure. However, it is appropriate to examine the opportunities for increased private sector involvement.

In my recent announcement of changes to EPAC I indicated that it would develop the capacity to undertake task force work as requested by the Government.

This is the first task force project, and follows my earlier request to EPAC to convene the major National Strategies Conference to be held in Sydney on 24-25 November 1994.

The task force will consider the scope for increased private sector funding, management and control of public infrastructure, and impediments to increased involvement. It will also consider the appropriate form of interaction between governments and the private sector, and measures for reducing impediments, including implementation strategies.

The task force will comprise Glenn Withers, the Director of EPAC, Fred Argy, a former Director of the Office of EPAC, Kerry Schott, of Bankers Trust, and Derek Scrafton, the Director General of the Office of Transport in South Australia. A small secretariat for the task force will operate within EPAC.

The task force will release an issues paper in November, receive submissions by the beginning of February and report its findings to the Government by March 31 1995. The Government will release the report and will also use the findings in its subsequent discussions with the community on this subject.

**CANBERRA  
10 November 1994**

## **Terms of Reference**

### **EPAC TASK FORCE ON PRIVATE SECTOR INVOLVEMENT IN PUBLIC INFRASTRUCTURE**

Having regard to benefits of efficient private sector involvement in the funding, management and control of public infrastructure, EPAC will establish a Task Force to investigate and report on the opportunities for expanded private sector involvement; the areas in which increased involvement can best occur; and the measures governments can take to facilitate an expanded role for the private sector.

For the purposes of the inquiry and report, public infrastructure is defined as transport and communications facilities, and production and transmission facilities for electricity, gas and water.

In reporting on these matters, the Task Force will focus on:

- (a) the scope for future expansion and potential benefit in private sector funding, management and control of public infrastructure under existing policies;
- (b) the appropriate form of interaction between government and the private sector;
- (c) impediments to efficient private sector involvement;
- (d) measures governments can adopt to reduce those impediments, including implementation strategies.

The Task Force is to have regard to the established economic, social, and environmental objectives of governments; to the expectation that governments will continue to have the major role in provision of public infrastructure; and the anti-avoidance provisions of the Income Tax Assessment Act.

The Task Force is also to have regard to measures already taken by governments to facilitate private sector involvement including, but not limited to, initiatives in relation to infrastructure bonds, the Commonwealth's proposals on a National Competition Policy, and Loan Council Borrowing arrangements.

The Task Force is to report to the Government by 31 March 1995. The Task Force's findings will be released by the Government and used in the Government's subsequent discussions with the community on this subject.

**For further information contact: Neil Ferry at EPAC - 270 2439**