



Australian Government
Productivity Commission

An Economy-wide View: Speeches on Structural Reform

Gary Banks

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Preface

Public speech-making is part and parcel of the role of the Chairman of the Productivity Commission, as it was for the Commission's predecessors. Such speeches provide an additional medium through which the findings and policy messages in the Commission's diverse reports can be distilled, discussed and made accessible to wider audiences.

The speeches in this volume were delivered over the past dozen years in a variety of settings. They were selected for inclusion here according to the significance and contemporary relevance of the issues they address, as reflected in continuing requests for them on the Commission's website. Most of the speeches are edited and abbreviated versions of those of approximately the same title that are listed on the website. They come closer to the 'spoken' versions and should be quicker to read than the longer and more detailed papers.

It goes without saying that the speeches, and the papers themselves, draw extensively on the Commission's publications. It also goes without saying that they are not all my own work. Many of them benefitted from the research input of colleagues, and all from their critical feedback. Importantly, for nearly half of them I had 'silent partners', who made substantial written contributions to the text; and the names of these colleagues appear in relevant places within the volume.

I am grateful to everyone who assisted me, either directly or indirectly, in preparing these and other speeches. Often this assistance came in response to requests made at short notice, but it has always been granted readily and expertly. More broadly, I would like to pay special tribute to two former staff members, Graham Blinman and Norm Gingell, who provided invaluable support to me and to those who preceded me in this role over many years. In relation specifically to this volume, I am particularly grateful to Margaret Mead, who ably managed the project and edited all the speeches, and to Tanya Frech, who assisted her. Ultimately, of course, responsibility for the views as expressed remains mine.

Gary Banks AO
Chairman

March 2010



Gary Banks addressing staff and guests at an event for the Productivity Commission's 10th anniversary, 16 April 2008.

Gary Banks AO

Gary Banks has been Chairman of the Productivity Commission since its inception in 1998. He has worked for all three of the Commission's predecessors — the Tariff Board, Industries Assistance Commission and Industry Commission. He also spent nearly a decade working overseas with the GATT Secretariat in Geneva, and at the Trade Policy Research Centre, London. In the late 1980s, he was a consultant with the Centre for International Economics in Canberra. Since his first appointment as a Commissioner in March 1990, Gary Banks has headed two dozen public inquiries. He also chairs the Government Services Review process under the Council of Australian Governments. He headed the Australian Government's Regulation Taskforce in 2006 and was a member of the 1998 Review of Higher Education. He is on advisory boards at three universities, and is an occasional lecturer at the Melbourne Business School. Gary Banks was made an Officer of the Order of Australia in 2007, for 'services to the development of public policy'.

Foreword

The Productivity Commission is a remarkable achievement of Australian governance — an institution whose sole purpose is to promote public policy excellence. As Chairman of the Productivity Commission since its 1998 inception, Gary Banks has championed its intellectual integrity and promoted its policy principles. He occupies an unusual place in public administration since the Commission has no client group, no natural constituency and no easy dividends for the political class.

Its strength lies in its ideas, its analysis and its advancement of the public interest. It needs to be independent but not remote, rigorous but not ideological, constructive but not accommodating. The Commission exists, ultimately, to serve the interests of the Australian people and that defines its value for any intelligent national government. The Productivity Commission and its predecessor organisations, from the Tariff Board to the Industry Commission, have been pivotal to the dynamic and turbulent story of Australia's embrace of economic reforms, structural change and improved public policy over recent decades. This has made Australia not just a more prosperous country but a country with an ongoing commitment to shared prosperity.

This volume of speeches by Gary Banks offers an accessible insight not just into Gary's thinking but the collective wisdom of the organisation that he has headed. The moral for the general reader is that quality political decisions depend upon a quality debate. These speeches highlight some guiding principles of the Commission — that trade liberalisation and competition enhance overall living standards, that special deals for vested interests impose costs upon the public, that new regulations should deliver benefits greater than the costs they impose. But the speeches also reveal the far more expansive reach of the Commission and its Chairman into new areas of social and environmental policy.

A phenomenon largely of the last decade, this expansion has taken the Commission into water markets, energy efficiency, waste management, paid maternity leave, the implications of population ageing, the gambling industry, infrastructure regulation and pricing, health policy and costs and the assessment of approaches to tackle Indigenous disadvantage. This recognises that in the contemporary world economic, social and environment policy need to be integrated.

Inherent in this book of speeches by Gary Banks is a statement about Australian democracy — that transparency about the impact of government decisions is an essential ingredient for a genuine democracy. Transparency lights the trek to better policy. In politics today there are many voices, interests and lobbyists bidding in public and in private for their own special causes, but there are few who speak with authenticity for the general interest. That is a responsibility of the Productivity Commission and its Chairman.

This book testifies to a unique Australian institution, its active Chairman and the renewal of a tradition in our governance that is more important than ever.

Paul Kelly

Editor-at-Large
The Australian

March 2010

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