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Business Council of Australia Pre-Budget Submission

Proposal: *Establish an Independent Commission of Budget Integrity*

- The BCA advocates the establishment of a new independent fiscal authority to provide additional independent advice on fiscal sustainability.
- While the BCA is broadly supportive of the current proposal to establish a Parliamentary Budget Office (PBO), it proposes going further by establishing a Commission of Budget Integrity (CBI) as 'a Commonwealth owned company outside of Government', which would focus on: preparing fiscal sustainability reports, undertaking program evaluations, analysing tax expenditures and providing strategic economic briefing and commentary.

Comment

- The Government has welcomed the current parliamentary inquiry into the establishment of a Parliamentary Budget Office (PBO) and will work co-operatively with the Joint Standing Committee on the Parliamentary Budget Office to design the most appropriate and effective PBO model for Australia.
- The Joint Standing Committee will consider a range of issues in providing its advice on the most appropriate structure, resourcing and mandate for a PBO in Australia, including examining existing international models, and alternative models such as that proposed by the BCA.
- The establishment of a PBO has the potential to enhance parliamentarians' access to fiscal and budget-related research and information, and improve their ability to effectively scrutinise government spending and performance. This will further enhance the credibility and transparency of Australia's already strong fiscal frameworks.