

1983

THE PARLIAMENT OF THE COMMONWEALTH

OF AUSTRALIA

HOUSE OF REPRESENTATIVES

STEEL INDUSTRY AUTHORITY BILL 1983

EXPLANATORY MEMORANDUM

(Circulated by Authority of the Minister for Industry and
Commerce, Senator the Honourable John N. Button)

OUTLINE

This bill proposes the establishment of a Steel Industry Authority (the Authority) to monitor the progress of the Steel Industry Plan and to provide advice to the Government on assistance to the steel industry. It is one of a package of three bills designed to give effect to the Government's decision relating to assistance to the Australian steel industry.

On 11 August 1983, the Government announced details of the establishment of the Steel Industry Plan, to operate for an initial period of five years commencing on 1 January 1984. The Government's objective in implementing the Plan is the creation of a long term, viable steel industry, providing job security for its employees and providing inputs into a wide range of metal and engineering industries at internationally competitive prices. Provision is included in the Plan for bounty assistance on the production and domestic sale of certain steel products.

This bill sets out the constitution, functions, terms of reference and powers of the Authority.

The Authority is to be an independent body, designed to monitor and analyse steel industry matters, and where appropriate conduct inquiries, report and make recommendations to the Minister on such matters.

It is the Government's intention that the Authority be an advisory body on assistance to the steel industry over the five year period of the Plan. In this connection, the Authority will provide advice to the Government pursuant to the safety mechanism provisions of the Plan. The Minister is not, however, precluded from referring matters to either the Industries Assistance Commission (IAC) or the Temporary Assistance Authority (TAA) under the Industries Assistance Commission Act 1973 (clause 3).

The Authority may inform itself in such manner as it thinks fit and has the power to conduct inquiries. These are to be held in public, but may be conducted wholly or partially in private if the Authority is of the opinion that it is necessary or desirable to do so in the public interest. Detailed provisions relating to the conduct of inquiries are set out in Part IV of the bill.

Clause 8 of the bill provides a mechanism whereby assistance measures are to be reviewed whenever the local industry's market share in any of the designated product categories falls below 80 percent or rises above 90 percent. Where imports in any of the areas not covered by the designated product categories increase rapidly and appear unlikely to fall by a corresponding extent within a reasonable period, the Authority is to report to the Minister on the need for changes in assistance or other action considered appropriate.

The Authority is to make regular quarterly reports to the Minister, and an annual report is to be tabled before Parliament by the Minister.

NOTES ON CLAUSES

- Clause 1 Short title.
- Clause 2 Commencement date to be 1 January 1984.
This is the commencement date of the operation
of the Government's Steel Industry Plan.
- Clause 3 Provides that the bill does not affect the
operation of the Industries Assistance
Commission Act 1973, with the exception of sub-
section 23(3). Sub-section 23(3) of that Act
provides that the Minister is not to take
action in relation to the provision of
assistance to industry unless he has first
received a report from the IAC. By the
operation of this clause the Minister will be
able to act on a report from the Authority
alone, without first referring the matter to
the IAC. On the other hand, the Minister will
retain the right to refer matters relating to
the steel industry or particular steel products
to the IAC or the TAA for inquiry and report.
Similarly, the IAC will retain the right to
inquire and report on such matters on its own
initiative.
- Clause 4 Defines a number of words and expressions for
the purposes of the legislation.
- Clause 5 Provides for the establishment of the Steel
Industry Authority.
- Clause 6 Sets out the object of establishing the
Authority. The Authority is to provide advice
to the Commonwealth to assist it in making
decisions relating to the provision of
assistance to the steel industry.
- Clause 7 Provides that the functions of the Authority
are to monitor and analyse 'steel industry
matters' (as defined) and where it thinks
appropriate, conduct inquiries, report to the
Minister and make recommendations to the
Minister on the steel industry matter defined
by sub-section (2).
- Clause 8 Provides that the Authority is to report
and make recommendations to the Minister if:

- (a) in any three month period, the Australian steel industry's share of the Australian market in product categories determined by the Minister either falls below 80 percent or rises above 90 percent of the market in any category; or
- (b) a rapid increase occurs in the volume of imports of steel products not covered by the product categories determined by the Minister and that level is not likely to fall back to the previous level in the reasonably foreseeable future.

Sub-clause (2) provides that the product categories referred to in this clause are to be determined by the Minister by notice published in the Gazette.

- Clause 9 Provides that, in addition to the powers conferred on it by this Act, the Authority has the power to do all things which are necessary or convenient to be done in connection with the performance of its functions, and can inform itself in such manner as it thinks fit.
- Clause 10 Provides that the Authority is to consist of 3 part-time members appointed by the Governor-General, who are to hold office on such terms and conditions as are provided by the Act, or where the Act is silent on the matter, by the Governor-General.
- Clause 11 Provides that members of the Authority are to hold office for the period specified in the instrument of appointment, up to a maximum of 2 years. Members are eligible for re-appointment.
- Clause 12 Provides for the appointment by the Governor-General of a member to be Chairman of the Authority. The Chairman is to hold office on such terms and conditions as are provided by the Act, or where the Act is silent on the matter, by the Governor-General. If a person ceases to be a member he cannot hold the office of Chairman.
- Clause 13 Provides for the payment of remuneration and allowances to the Chairman and the other members.
- Clause 14 Provides for the disclosure by the Chairman and members of any pecuniary or other interests that could be in conflict with their duties.

- Clause 15 Provides for leave of absence by members to be granted by the Minister.
- Clause 16 Provides for the resignation of the Chairman or other members.
- Clause 17 Provides for the retirement of members on the ground of invalidity.
- Clause 18 Provides for the suspension and removal from office of members in certain circumstances.
- Clause 19 Empowers for the Minister to make acting appointments to the position of either the Chairman or of another member during periods of vacancy or temporary absence.
- Clause 20 Provides for meetings of the Authority to be convened by the Chairman as he considers necessary for the efficient performance of its functions. The Chairman may give directions regarding the procedure to be followed at meetings, and records of the meetings are to be kept. The Chairman is to preside at all meetings, and he and one other member form a quorum. All questions are to be decided by a majority of votes, and the Chairman has a deliberative vote, and in the event of an equality of votes, a casting vote.
- Clause 21 Provides that inquiries by the Authority are to be conducted in public. The Authority may, however, hold the whole or part of an inquiry in private if, in the opinion of the Authority, the circumstances are such that it is necessary or desirable in the public interest to do so. Provision is made for the receipt and examination of evidence. Subject to the provisions this clause, the procedures to be followed at an inquiry are within the discretion of the Authority.
- Clause 22 Empowers the Chairman to summon witnesses to appear before the Authority and to produce such books and documents as are referred to in the summons.
- Clause 23 Creates an offence for failure to appear at an inquiry when summoned.
- Clause 24 Empowers the Chairman to administer an oath or affirmation to a witness appearing before the Authority.
- Clause 25 Creates an offence for refusing to be sworn or to answer questions or produce documents when required to do so.

- Clause 26 Provides that members of the Authority are to be afforded the same protection as Justices of the High Court. Witnesses appearing before the Authority are to have the same protection and are to be subject to the same liabilities as witnesses in proceedings in the High Court.
- Clause 27 Creates an offence for contempt of the Authority.
- Clause 28 Provides for a member or a member of the staff assisting the Authority to inspect, copy and take extracts from any books or documents furnished to the Authority.
- Clause 29 Provides for the payment of allowances to witnesses summoned to appear at an inquiry, as prescribed by regulation.
- Clause 30 Creates an offence if witnesses are prejudiced in their employment by appearing or proposing to appear as witnesses at an inquiry.
- Clause 31 Provides that the Authority is to furnish an annual report to the Minister not later than 30 September each year, on its activities and operations during the preceding financial year.
- Provides that the Minister is to present the Authority's annual report to the Parliament within 15 sitting days of his receipt of the report. Further provides that the Authority is to furnish quarterly reports to the Minister.
- Clause 32 Provides that the Authority may engage outside consultants to supply it with information necessary for the performance of its functions.
- Clause 33 Provides that the Authority may, at its discretion, supply information to persons, provided that it does not constitute a breach of confidence.
- Clause 34 Regulation-making power.
- Clause 35 Provides that the Act is to cease to have effect on 31 December 1988, when the Steel Industry Plan ceases operation.

