

Council of Australian Governments Meeting – Communiqué Canberra, 7 December 2012

The Council of Australian Governments (COAG) held its 34th meeting in Canberra today, 20 years to the day since its first meeting in Perth in 1992. The Prime Minister, Premiers, Chief Ministers and the President of the Australian Local Government Association (ALGA) participated in today's meeting. The Leaders welcomed Northern Territory Chief Minister, the Hon Terry Mills MLA and President of ALGA, Felicity-ann Lewis to their first COAG meeting.

COAG also reiterated its commitment to focus its attention on policy reforms of national significance, and to keep its agenda as streamlined as possible.

National Disability Insurance Scheme

COAG reaffirmed its ongoing commitment to a National Disability Insurance Scheme (NDIS) by signing an intergovernmental agreement for its first stage. The agreement provides the foundation for all governments to work together to develop and implement the initial phase of the NDIS. The lessons learned in implementing the first stage will inform governments about proceeding to a full scheme by:

- a. setting out shared roles and responsibilities for working collaboratively on the policy for a full scheme;
- b. establishing the new Standing Council on Disability Reform, with representation from all jurisdictions, which – from 1 January 2013 – will be responsible for making decisions and formulating advice on matters arising from the launch and related to the transition to a full scheme; and
- c. setting in place arrangements for the review and evaluation of the first stage which will inform the transition to a full scheme.

COAG noted the historic agreement between the Commonwealth and New South Wales Governments to establish the full NDIS in New South Wales by 1 July 2018. The Commonwealth noted that it looks forward to concluding agreements on the same terms with all other governments.

In addition, New South Wales, Victoria, South Australia, Tasmania and the Australian Capital Territory signed bilateral agreements with the Commonwealth which confirm the operational and funding details for the roll-out of the NDIS in each launch site. From this time, under the launch arrangements, people with a disability, their families and carers will start to benefit from a fairer, more sustainable and equitable approach to supporting people with disability. Discussions on further launch sites are continuing.

The Commonwealth's NDIS Bill 2012—which provides a framework for the launch of a national scheme and outlines eligibility criteria and what constitutes reasonable and necessary support—was introduced into the Federal Parliament on 29 November 2012. The Bill was developed collaboratively with input from all States and Territories and took into account feedback from people with disability, their carers, families and disability organisations across Australia. The Bill is to be referred to a Parliamentary Committee for consideration, and ongoing consultation with all governments, people with disability and the sector will occur during this time. COAG agreed to continue discussions on legislation with an aim to resolve and agree:

- a. the remit of the Launch Transition Agency in the Bill, to reflect its focus on launch in host jurisdictions and its broader role in jurisdictions that sign up to the full scheme;
- b. the process for drafting, considering and agreeing legislative instruments;
- c. the tone of the Bill; and
- d. interactions with existing State and Territory legislation;

ahead of its passage in early 2013, with a report back to COAG in mid-February 2013 on the outcome of these discussions.

Where necessary the legislation will be amended to reflect the outcomes of this consultation.

COAG noted that the Commonwealth will give State and Territories a minimum of 14 days to consider draft legislative instruments.

COAG members agreed to provide nominations for appointments to the NDIS Board and NDIS Advisory Council by 31 January 2013.

As a basis for further consultation with the sector and the public on the regulatory impacts of the NDIS, COAG has released a consultation Regulation Impact Statement (RIS) (Attachment A).

Schools' Reform

COAG noted the initial advice of the School Education Funding Reform Committee, comprised of all Australian school education Ministers, on the proposed National Plan for School Improvement. The National Plan, still under discussion by education Ministers, seeks to position Australia to meet the Prime Minister's goals of being a top five high-quality, high-equity school system in the world for reading, maths and science by 2025. In order to achieve these goals, it is proposed that each school and school system will focus on five reform areas, consistent with the directions agreed by COAG through the National Education Agreement and National Partnership Agreements and in line with the Melbourne Declaration on the Educational Goals for Young Australians. The five reform areas under discussion are:

- quality teaching;
- quality learning;
- empowered school leadership;
- transparency and accountability; and
- meeting student need.

The proposed National Plan would recognise the joint and respective roles of the Commonwealth, States and Territories and education authorities, and reflect an ongoing commitment by all jurisdictions to providing a high-quality education to all Australian school students.

COAG also agreed that it would discuss further development of the proposed National Plan for School Improvement and associated funding arrangements in 2013, and it looks forward to resolution of outstanding issues.

Mental Health Reform

COAG welcomed the recent release of the National Mental Health Commission's inaugural Report Card on Mental Health and Suicide Prevention. COAG agreed to provide a response to the Report Card that would include national indicators and targets for mental health reform.

COAG released the Ten Year Roadmap for National Mental Health Reform and re-affirmed its commitment to mental health reform.

Report from the Business Advisory Forum

COAG welcomed the significant progress on competition and regulatory reforms discussed at the Business Advisory Forum (BAF) on 6 December 2012 and agreed to the further reform directions and proposals outlined in the Forum Communique (Attachment B).

National Regulatory and Competition Reform Compact

COAG noted that the first *National Regulatory and Competition Reform Compact*, was signed by First Ministers, the ALGA President and representatives from key business groups.

The Compact sets out for the first time how governments and business will work together and their commitments to one another. The Compact will be reviewed every three years, with the first review to commence in 2015-16.

Environmental Regulation Reform

COAG re-affirmed its commitment to broad environmental regulation reform that enhances efficiency and increases certainty for business, while maintaining high environmental standards.

COAG noted that the Commonwealth will introduce legislative reforms to progress its response to the Hawke review of the *Environment Protection and Biodiversity Conservation Act 1999* to further streamline and strengthen environmental regulation.

Jurisdictions have made consistent efforts to improve regulatory arrangements, including increased use of strategic tools and commitment to early engagement with proponents. COAG welcomed the release of the Commonwealth's Statement of Environmental and Assurance Outcomes and draft Framework of Standards for Accreditation. These two documents articulate the standards that the Commonwealth has proposed that State and Territory processes would need to meet to ensure community confidence in accredited arrangements, and represent an important milestone in COAG's reform agenda.

COAG committed to continue to work to streamline environmental regulation that delivers strong environmental outcomes and better conditions for business, with a report on the outcomes of their further work to be considered at the next COAG meeting. As a further step to improving processes relating to environmental regulation, COAG agreed that all jurisdictions will direct their regulatory and referral agencies to eliminate duplication and to avoid sequential assessments and delayed approval processes and also to utilise common information requirements for both assessments and approvals.

Energy Market Reform

COAG noted the strong call by business for urgent and concrete action on energy market reform to help moderate the impact of high electricity prices on consumers and business, particularly the need for greater access to more flexible pricing. COAG today endorsed the most comprehensive package of energy market reforms for jurisdictions in the National Electricity Market in a decade.

The reforms were developed and agreed by the Standing Council on Energy and Resources (SCER), with advice from the BAF Taskforce. In addition to agreeing to the recommendations from SCER and the BAF Taskforce, COAG agreed in principle to adopt the new best-practice framework for reliability standards (to be developed by the Australian Energy Market Commission and which give primacy to affordability for consumers at agreed levels of reliability and take account of regional considerations) and to transfer responsibility for applying the framework to the Australian Energy Regulator (AER), with a final decision by the end of 2013.

COAG welcomed the additional Commonwealth funding for the AER and the review to be undertaken of its resources, independence and operational arrangements.

These measures will help ease electricity price pressures, while maintaining the high level of reliability of supply which Australians have come to expect. Full implementation of the reform agenda, to be taken forward by Energy Ministers, will take sustained commitment over time. COAG will continue to take a direct role in overseeing progress. Further details on the reform package are available at www.coag.gov.au.

Noting the importance of the domestic gas market to the Australian economy, COAG requested SCER to provide advice to its next meeting on challenges facing domestic gas markets.

Seamless National Economy

COAG noted the COAG Reform Council has released its latest report on progress by governments on the Seamless National Economy Reforms in 2011-12 and agreed to release a preliminary response (Attachment C). Nineteen of the regulation reforms under the National Partnership Agreement to Deliver a Seamless National Economy are complete, or will be complete, by the end of 2012, with a number of further reforms due for completion in the first half of 2013. Report cards are available at Attachment D. A more detailed response will be considered at the first COAG meeting in 2013.

COAG also welcomed progress on the legislative framework to establish a **National Occupational Licensing Scheme** (NOLS), including extensive stakeholder consultation. The NOLS Taskforce is working toward a Final Decision RIS and legislation, drawing on stakeholder feedback, for consideration in the first half of 2013.

This is an important reform to improve workforce mobility in our economy and careful consideration is needed to ensure it delivers maximum benefits to the community, including best-practice regulatory reform.

Australia in the Asian Century White Paper

The Prime Minister briefed her COAG colleagues on the Asian Century White Paper and the opportunities the rise of Asia provides for Australia and its reception in the region.

It was agreed that governments will utilise existing COAG processes and structures to work towards the national objectives and pathways particularly those relating to infrastructure, regulatory reform, schools, skills and adaptability.

Royal Commission into Child Sexual Abuse in Institutional Contexts

All governments expressed support for, and undertook to cooperate with, a Commonwealth Royal Commission into Child Sexual Abuse in Institutional Contexts.

COAG agreed that it is a national priority to identify what further systemic responses are necessary to protect children from sexual abuse in institutional contexts and ensure appropriate responses to any such abuse.

COAG also agreed it is important that those affected by child sexual abuse and related matters in institutional contexts can share their experiences to assist with healing and to inform the development of strategies and reforms.

COAG further agreed that the Royal Commission should respect the work of a number of current inquiries dealing with matters relevant to child sexual abuse in institutional contexts and also have regard for the lessons learned and the findings of other previously completed inquiries.

Terms of reference are currently being developed jointly by the Commonwealth and all States and Territories and these will ask the Commission to provide its initial report after 18 months.

Subject to finalisation of the terms of reference, governments are working towards the development of draft Letters Patent before the end of 2012 for the consideration of the Governor-General and relevant State Governors.

Royal Succession

COAG reiterated its support for changes to the rules of Royal Succession in Australia to:

- a. allow for succession regardless of gender;
- b. remove the bar on succession for a person who marries a Catholic; and
- c. limit the requirement for the Monarch's consent to the marriage of a descendant of King George II to the first six persons in line to the throne.

COAG asked officials to continue to work towards cooperative implementation.

Radio Frequency Spectrum

COAG noted the importance of ensuring States and Territories have sufficient radio frequency spectrum to enable them to meet current and future needs of emergency services. COAG looks forward to advice at its first meeting in 2013 from the Standing Council on Police and Emergency Management.

Interruption to Telecommunications Services

COAG discussed the impact of the recent interruption to Telstra's service in south-west Victoria, and agreed that the inquiry conducted by the Commonwealth should extend to the social and economic impacts of the outage, and emergency management and disaster relief arrangements for a loss of telecommunications services.

Better Value Infrastructure

COAG noted the outcomes of the National Infrastructure Delivery Forum held in Sydney in October, and agreed to endorse Best Practice Guidelines for Practitioners developed as a result of the Forum. COAG also noted, and agreed to further consideration in 2013 of,

Productivity Metrics for measuring the productivity of infrastructure, and Growth Incentive Payments by the Standing Council on Transport and Infrastructure and Heads of Treasuries respectively.

GST Distribution Review

COAG discussed the Report of the GST Distribution Review and requested that it be considered by Treasurers with a report back to COAG by the Commonwealth Treasurer in 2013.

COAG Reform Council

Following advice from Mr Paul McClintock AO that, due to increased commitments, he wished to resign as Chair of the COAG Reform Council (the Council) at the end of 2012, the Prime Minister informed her COAG colleagues that the Hon John Brumby has been appointed to Chair the Council from January 2013. COAG acknowledged Mr McClintock's outstanding service as Chair since 2006. It recognised that the work of an assessment body is not easy. The confidence the Council enjoys among governments is a testimony to the leadership and skill Mr McClintock has brought to the Chair's role. COAG wished him well in his future endeavours.

Record of Appreciation

COAG warmly acknowledged the outstanding contribution to the federation since 1990 of the retiring Assistant Secretary, Commonwealth-State Relations Branch, Department of the Prime Minister and Cabinet, Mr Ron Perry PSM, as part of a career spanning 41 years in the Australian Public Service.

Next Meeting

COAG agreed to meet again in the first half of 2013.

Canberra
7 December 2012