

**Council of Australian Governments (COAG)  
What's Going On?**



**An NCOSS Analysis of the Second COAG  
Communiqué  
17 July 2008**

July 2008

## **1. Introduction**

### **1.1 What is the Council of Australian Governments?**

The role of COAG is to initiate, develop and monitor the implementation of policy reforms that are of national significance and which require cooperative action by Australian governments (for example, National Competition Policy, water reform, reform of Commonwealth and State/Territory roles in environmental regulation, the use of human embryos in medical research, counter-terrorism arrangements and restrictions on the availability of handguns). Issues may arise from, among other things: Ministerial Council deliberations; international treaties which affect the States and Territories; or major initiatives of one government (particularly the Australian Government) which impact on other governments or require the cooperation of other governments.<sup>1</sup>

### **1.2 Why do an analysis?**

Since the start of 2008, as a result of a change in Government, there has been an increasing amount of change being proposed across Australia. Much of this is to be driven through COAG processes. This change is happening quickly and it can be difficult to stay in touch with what is happening.

As part of its commitment to keeping the sector informed and involved NCOSS has committed to producing an analysis of each of the COAG communiqués in 2008. We have attempted to assess what the announcements really mean (progress, no progress, more meetings of "working parties", possible distractions etc) for NSW. This is the second in that series of analysis.

NCOSS intends to continually update this information as more changes occur and more information becomes available.

More information about COAG can be found at their website - <http://www.coag.gov.au/index.htm>

NCOSS analysis of the first COAG communiqué can be found at our website – <http://www.ncoss.org.au/hot/coag/ncoss-analysis-coag-communiqué-28mar08.pdf>

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<sup>1</sup> From the COAG Website, About COAG, <http://www.coag.gov.au/about.htm>, viewed 7 April 2008.

## **2. Children's Services**

### **2.1 Early childhood strategy**

At the July meeting, COAG agreed to the development of a broad national strategy for early childhood development for consideration in October 2008. Presumably this strategy would include the election commitments of the Rudd government as discussed in the December 2007 meeting COAG. These are:

- universal access to early childhood education for all children in the year before formal schooling;
- quality standards and rating system for child care and preschool;
- early childhood development workforce; and
- National Early Childhood Development Performance Information Strategy.

### **2.2 Child Protection**

At the July meeting, COAG requested advice from the Community and Disability Services Ministers' Conference on how to improve sharing of information about families and children at risk between governments at the local level and between governments and non-government organisations. This is to be discussed at the COAG meeting in October 2008.

COAG noted the work underway on a National Child Protection Framework to improve child protection outcomes and agreed that it would be considered at the COAG meeting in December 2008. Consultations with the states/territories and the sector have commenced.

COAG agreed that governments would continue to work together to enhance coordination at the local level to improve prevention and early intervention for families and children at risk. The implications of this agreement are not yet clear. A concern for NCOSS is that the ongoing 'reviews' and 'reforms' will continue to delay the NSW Government from increasing the funding to the Community Services Grants Program.

## **3. Education**

A number of other major areas of reforms have been identified for consideration in October 2008. These include the educational needs of low socio-economic status school communities and improving the quality of teaching in schools and national reform of the vocational education and training sector.

## **4. Energy and Climate Change**

COAG noted the progress being made on the climate change agenda, including:

- Development of the Renewable Energy Target Scheme (a discussion paper has been released and is seeking comments);
- measures to accelerate energy efficiency enhancements;
- the Emissions Trading Scheme (ETS) (a Green Paper was released on 16 July 2008 after the COAG meeting for a "Carbon Pollution Reduction Scheme" which suggests a cap and trade emissions trading scheme).

## **5. Health**

### **5.1 New Commonwealth/State Health Agreement**

COAG received a preliminary 'statement of objectives, outcomes, outputs and performance measures' for the new health agreement. The NSW Health NGO sector has previously expressed concern that funding for primary and community health services is guaranteed under a generic health agreement, the framework for which would likely be specified in the outcomes, outputs or performance measures. Unfortunately, however, this information has not been made publicly available.

The Draft of the new Health Specific Purpose Payment (SPP) as well as any National Partnership Payment (NPP) will be presented to the October COAG meeting, for finalization at the December meeting. It is not clear whether the draft agreement will be made available before finalization.

### **5.2 Major Reform Areas in Health**

Based on advise from the Health and Ageing working group, COAG has agreed that the following areas may be subject to 'significant and far reaching reform, and have requested more information on these areas for the October meeting:

- Preventive Health
- Complex and Chronic Disease Management
- Hospitals (including the primary care interface and activity-based funding reform)

### **5.3 Organ and Tissue donation reform package**

COAG endorsed a \$136.4m package over four years to establish a national system of organ and tissue donation. Under the package a national authority will be established by 1 January 2009 to oversee reform, including dedicated organ donation specialist doctors and other staff in public and private hospitals. More information is available here:

<http://www.health.gov.au/internet/ministers/publishing.nsf/Content/mr-yr08-nr-nr100.htm>

### **5.4 Vocational Education and Training Places in Health**

Skills Australia provided advice to COAG on the 50,000 places over three years for vocational education and training places in national priority health occupations. COAG agreed the first 4,500 places would be rolled out by 31 July 2008. It is unclear what this means for NSW or what professions this will apply to.

## **6. Housing**

Public information to date has largely been restricted to the implementation of Commonwealth election commitments. The current status of these is as follows:

- *National Rental Affordability Scheme*: a Technical Discussion Paper was released for comment on 2 May. Following consideration of responses to the discussion paper, the Commonwealth is expected to invite the first Call for Applications on 24 July.

- *Housing Affordability Fund*: a consultation paper on the proposed design of the fund was released by the Commonwealth on 11 June, with comments closing on 17 July. Funding applications for 2008-09 are expected to open in August.
- *First Home Saver Accounts*: a consultation paper was released on 8 February. Following feedback on the consultation paper a number of changes to the scheme were announced on 13 May. The accounts are expected to be available from financial institutions from 1 October.
- *A Place to Call Home*: the allocation of funding to the States and Territories was announced on 8 April. NSW received \$38.8 m to build 155 new homes for homeless people over the next 5 years.

The July COAG communiqué makes vague reference to the ‘potential for reform of social housing’ requiring further analysis and advice. It is unclear what particular reforms are contemplated.

Commonwealth funding to the States and Territories for a range of housing and homelessness programs (including indigenous housing) is to be transferred to the proposed new *National Affordable Housing Agreement* as from 1 January 2009. It is understood that a preliminary Statement of Objectives, Outcomes, Outputs and Performance Measures, prepared by the COAG Housing Working Group, was considered at the July COAG meeting. No information is publicly available on this. It is expected that a draft Agreement will be considered at the October COAG meeting, with financial arrangements to be finalised at the December meeting.

July COAG agreed that the Commonwealth will assume responsibility for the regulation of mortgage broking along with other forms of consumer credit that are currently regulated by the States and Territories. Further details are due to be considered at the October COAG meeting.

## **7. Homelessness**

The Commonwealth has indicated that Commonwealth funding to the States and Territories under the SAAP program will be incorporated into the proposed *National Affordable Housing Agreement* as from 1 January 2009. Funding under the *A Place to Call Home* initiative will also be incorporated into the Agreement as a National Partnership payment (that is, as tied rather than block funding).

The Commonwealth’s Green Paper on Homelessness (*Which Way Home?*) was released for comment on 22 May, with comments closing on 27 June. The Government’s White Paper, setting out a national plan of action, is due to be released in September. While the precise relationship between the White Paper and COAG processes is yet to be clarified, it is expected that any additional Commonwealth funding for homeless services arising from the White Paper will be the subject of a National Partnership agreement with the States and Territories under the broader National Affordable Housing Agreement.

## **8. Indigenous Reform – Closing the Gap**

### **8.1 National Partnership on Indigenous Children in the early years**

COAG agreed to a \$547.2m package over six years to improve Indigenous child mortality rates, based on evidence that “Indigenous child mortality require better access to antenatal

care, teenage reproductive and sexual health services, child and maternal health services and integrated child and family services.” A bilateral agreement with NSW (and other jurisdictions) will be considered at the October COAG meeting. In mid 2009 COAG will consider a progress report about the impact of the broader COAG reform agenda on overcoming Indigenous children’s disadvantage.

There will also be ongoing discussions with all States about applying conditions to benefit payments as a way of increasing the use of early childhood, family support and child and maternal health services amongst vulnerable Indigenous and non-Indigenous families.

## **8.2 Working Group on Indigenous Reform**

COAG agreed that the Working Group on Indigenous Reform (WGIR) should continue to develop reform proposals for improving community safety, remote service delivery and Indigenous economic development and active welfare for consideration in October 2008.

COAG also requested the WGIR, in conjunction with other Working Groups, to report to COAG in December 2008 on how COAG’s broader reform agenda will deliver an integrated strategy on closing the gap for all Indigenous people.

## **9. Planning**

The July COAG meeting considered a report from the Local Government and Planning Ministers Council on progress towards more streamlined development assessment processes and on encouraging greater use of electronic processing. COAG requested Ministers to report back to the October meeting, via the COAG Business Regulation and Competition Working Group, on common performance measurement criteria (including timelines and costs) for development assessment processes.

## **10. Transport**

Consideration is being given to competition reform in areas including national transport policy as well as further reforms to infrastructure access. However, further details about what this will entail will not be available until October 2008, when the implementation plans will be considered.

## **11. COAG Reform Council**

The role of the CRC will be expanded to include the new performance reporting framework, developed by the Ministerial Council for Commonwealth–State Financial Relations to enhance the public accountability of all governments within the new funding arrangements.

The CRC’s role now includes

- Receiving performance information from the Steering Committee for the Review of Government Service Provision (CSRGSP). The data must be to the CRC within 3 – 6 months of the reporting period.
- Consult with jurisdictions for one month before releasing its Special Purpose Payment reports and National Partnership Assessments. However, the CRC should independently assess whether any feedback from a jurisdiction need to be reflected in its final findings.

- Can request improvements in specific areas of data provided to it by the SCRGSP in regards to the Report on Government Services
- Make public the reports on performance information for all jurisdictions against national Specific Purpose Payments (SPPs) outcomes and progress measures
- That assessments in relation to National Partnership reward payments are made available to COAG