

The 33rd Meeting of COAG

July 2012

The Council of Australian Governments (COAG) held its 33rd meeting in Canberra on 25 July 2012. Members of the council include the Prime Minister, Premiers, Chief Ministers and the President of the Australian Local Government Association (ALGA). For more information on COAG, see Hawker Britton's Occasional Paper from 23 July 2012, available [here](#).

There were 10 key issues on the agenda for the 33rd COAG meeting:

- National Disability Insurance Scheme
- Future Competition and Regulatory Reform
- Progress on Seamless National Economy Reforms
- Construction Industry Costs and Productivity
- Expiring National Partnerships
- Improving Funding Arrangements
- National Response to Organised Crime and Firearms
- Not-for-Profit Reform
- Royal Succession
- New Zealand Engagement in COAG Fora

To access the meeting's seven page communiqué, detailing the outcomes agreed to on each of the agenda items, [click here](#).

Significant developments or agreements were made in the following areas:

National Disability Insurance Scheme

Discussion of launch sites for the National Disability Insurance Scheme was a particular focus of the 33rd COAG meeting. The Commonwealth reached in-principle agreements with South Australia, Tasmania and the ACT to commence trials of the disability scheme in July 2013. These jurisdictions will engage in the implementation of the first stage of NDIS, which will inform the move to a national insurance-based approach to disability care and support.

A national agency will be formed to administer the Scheme during the launch phase, and it will be responsible for managing Commonwealth and State funds in a single pool as well as undertaking planning, assessment and approval of individual support packages.

Funding and governance arrangements for the launch will not form precedent for the full Scheme, which will be discussed and the next COAG meeting later this year.

COAG's Select Council on Disability Reform handed down a report proposing an approach to defining eligibility and reasonable and necessary support under an NDIS. This report builds on the work of the Productivity Commission in order to settle the final design of the NDIS. Consultation with relevant stakeholders will commence from late August 2012. These

consultations will inform the final decision defining eligibility and level of necessary support under the Scheme.

In South Australia the launch will focus on about 5000 children aged up to 14 with a disability. Tasmania will focus on delivering services to adolescents. The ACT trial will include all disabled people regardless of age.

Hawker Britton's Occasional Paper on the NDIS is available [here](#).

Future Competition and Regulatory Reform

At the COAG meeting in April 2012 the States and Territories prioritised fasttracking the removal of 'red tape' for businesses, by agreeing to use state environmental approval and assessments processes by March 2013. At the meeting 25 July it was noted that, in line with the timing agreed upon in April, consultations are underway and negotiations for bilateral agreements are about to commence.

COAG expressed concern over the recent substantial increases in electricity prices arising from, among other factors, higher transmission and distribution charges. While noted that work on an energy market reform has already been undertaken by the Standing Committee on Energy and Resources, COAG asked the cross-jurisdictional Taskforce established under the Business Advisory Forum at its last meeting to undertake further work on any additional action required to deliver a regulatory framework to promote a competitive retail electricity market. A report will be provided to the next meeting of the Business Advisory Forum and recommendation to COAG in late 2012.

Progress on Seamless National Economy Reforms

COAG agreed to a set of principles and guidelines in relation to Director's Liability reform. The reform works to ensure the operation of Directors' liability is applied in a nationally consistent and principle-based manner. COAG noted that this reform is still under consideration by the Queensland Government. To see the principles and guidelines, click [here](#).

Construction Industry Cost and Productivity

COAG is establishing an independent Review Panel to conduct a broad ranging investigation into cost, competitiveness and productivity challenges in the commercial, civil and large scale residential construction industry. The Panel will seek to identify reforms that can be pursued nationally or by individual governments to minimise construction costs across the economy.

The Review Panel will consist of three independent members with relevant legal, industry, workplace relations and economic expertise. The membership of the Panel will be agreed by COAG, with all jurisdictions able to nominate potential candidates.

Expiring National Partnerships

COAG noted that a number of programs under National Partnerships have supported increased service levels. COAG agreed to establish a working group to identify those agreements expiring on or prior to 30 June 2013 that have led to increased service levels,

and options for their treatment if they were to be continued. The Working Group will report back to COAG in September 2012.

Further, in regards to future funding agreements the Working Group will likewise consider and recommend measures to streamline the development and administration of selected funding agreements. The Working Group will report back to COAG at its December 2012 meeting.

Not-for-Profit Reform

COAG requested further advice from Senior Officials on any legislative and regulatory changes required to minimise regulatory compliance costs to the not-for-profit sector. This includes legislative impacts of the proposed Australian Charities and Not-for-profits Commission Bill. Senior Officials will finalise this work before the Bill is settled for introduction to the Commonwealth Parliament in August 2012.

In light of the proposed Bill, COAG agreed to consider the results of a regulatory impact assessment on governance and reporting standards in the not-for-profit sector, before the end of 2012.