

The Council of Australian Governments (COAG)

December 2013

The next COAG meeting will be held in Canberra on Friday 13 December 2013. While a formal agenda for this meeting has not been released, key issues likely to be discussed include:

- 1. Better Schools Plan** – On 2 December 2013 Education Minister the Hon. Chris Pyne MP announced changes to the Government's funding commitments for the Better Schools Plan. The Federal Government has committed to the first four years of funding agreed to through agreements with five State and Territory Governments. However the Federal Government has provided no commitment to provide the additional funding offered by the former Labor government starting from the 2018 academic year. The Government will seek to renegotiate agreements with all State and Territory Governments and school systems over the next year. More information on the Plan is available in Hawker Britton's Occasional Paper, [here](#).
- 2. Assistance to South Australia and Victoria ahead of the close of GM Holden's manufacturing operations in Australia by the end of 2017** – On 11 December 2013 General Motors Holden announced it would cease manufacturing in Australia due to the high Australian dollar, high cost of production, and a small fragmented market. This decision will impact 2 900 positions directly over the next four years and will also likely affect 33 000 workers employed in the automotive components sector, primarily in Victoria and South Australia.
- 3. The National Disability Insurance Scheme (NDIS)** – The implementation of the NDIS across the states and territories will likely be discussed by COAG. The scheme is still in its 'launch phase', with expected completion in 2019–20. More information on the NDIS is available in Hawker Britton's Occasional Paper, [here](#).
- 4. Infrastructure** – State and Territory Governments will decide on a deal proposed 27 November 2013 by Treasurer the Hon. Joe Hockey MP to allow Commonwealth tax revenue from public asset privatisation to be provided directly to the States to fund infrastructure projects. The Treasurer's media release is available [here](#).
- 5. Environmental Regulation Reform** – The Federal Government is seeking to create a [single environmental assessment and approval process](#) that will accredit state planning systems under national environmental law, effectively transferring Commonwealth environmental power to the states. Both [Qld](#) and [NSW](#) have signed up to the scheme, which will likely be discussed at the COAG meeting. Other states and territories have been given 12 months to sign up to the plan.
- 6. Review of GST** – it is likely a reduction in the low-value import GST threshold will be discussed at the COAG meeting. Federal Treasurer the Hon. Joe Hockey MP has recently [discussed this issue with State and Territory Treasurers](#) and provided information on the costs of any changes to the online threshold. The recent ruling by the ATO changing the GST treatment of some caravan parks may also be discussed.

7. **Seamless National Economy** – The COAG Reform Council’s response to the progress by governments on the Seamless National Economy Reforms are to be considered by COAG. More information on the Seamless National Economy is available [here](#).
8. **Other major policy reviews** – the Federal Government’s [Review of Competition Policy](#) announced 4 December; the [Energy White Paper](#) announced 5 December, which will aim to develop an integrated national energy policy, and the [Agriculture White Paper](#) announced 9 December may be discussed at the December meeting.

COAG—Overview

The Council of Australian Governments (COAG) is the peak intergovernmental forum in Australia. COAG comprises the Prime Minister, State Premiers, Territory Chief Ministers and the President of the Australian Local Government Association (ALGA). The Prime Minister chairs COAG.

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, health, education and training, Indigenous reform, early childhood development, housing, microeconomic reform, climate change and energy, water reform and natural disaster arrangements).

Potential COAG issues may emerge from major initiatives of one government which impact on other governments or that require the cooperation of other governments. Other issues come to COAG from Ministerial Councils. This can be in the course of implementing existing policy, for example, National Competition Policy, or in developing policies such as food regulation reform.

COAG meets on an as-needed-basis and has met 35 times since it was established in 1992. The most recent meeting was held in April 2013.

Whereas the agenda for the COAG meeting usually is not available publicly prior to the meeting, the outcomes of COAG meetings are contained in communiqués released after each meeting. Where formal agreements are reached, these may be embodied in Intergovernmental Agreements. The communiqué from last meeting, held in Canberra on 19 April 2013, is available [here](#). The Hawker Britton Occasional Paper on the outcomes of the last COAG meeting is available [here](#).

Current COAG members

- The Hon. Tony Abbott MP, Prime Minister of Australia (Chair)
- Ms. Katy Gallagher MLA, Chief Minister of the Australian Capital Territory
- The Hon. Barry O’Farrell MP, Premier of New South Wales
- The Hon. Adam Giles MLA, Chief Minister of the Northern Territory
- The Hon. Campbell Newman MP, Premier of Queensland
- The Hon. Jay Weatherill MP, Premier of South Australia
- The Hon. Lara Giddings MP, Premier of Tasmania
- The Hon. Dr Denis Naphthine MLA, Premier of Victoria
- The Hon. Colin Barnett MLA, Premier of Western Australia
- Councillor Felicity-ann Lewis, President of Australian Local Government Association



COAG Reform Council

The Reform Council has been established by COAG as part of the arrangements for federal financial relations to assist COAG in driving its reform agenda. Independent of individual governments, the Reform Council reports directly to COAG on reforms of national significance that require cooperative action by Australian governments.

In February 2011, COAG adopted a reform agenda built around five themes of strategic importance which all fall into the intersection of jurisdictional responsibilities. The five themes are:

1. A long term strategy for economic and social participation
2. A national economy driven by our competitive advantages
3. A more sustainable and liveable Australia
4. Better health services and a more sustainable health system for all Australians
5. Closing the Gap on Indigenous disadvantage.

The COAG reform agenda is implemented through National Agreements, National Partnerships, Water Management Partnerships under the Agreement on Murray-Darling Basin Reform, and other intergovernmental agreements.

Report on the progress of the COAG reform agenda

Each year, the COAG Reform Council reports on the progress of the COAG reform agenda. To mark the agenda's fifth anniversary, the 2013 report reviews the progress of the COAG reform agenda over the period 2008 to 2013. It also looks at the success of the Intergovernmental Agreement on Federal Financial Relations (IGA), which provides the foundation for collaboration on national reform.

The report, *Lessons for federal reform: COAG reform agenda 2008–2013*, is available [here](#).

More information is available at the COAG Reform Council's website, [here](#).