



Council for the Australian
Federation

CAF COMMUNIQUÉ

Meeting 12 September 2008

MELBOURNE, 12 September 2008 The Council for the Australian Federation (CAF) held its fifth meeting today by teleconference. The Council comprises all State Premiers and Territory Chief Ministers and is chaired by the Honourable John Brumby, Premier of Victoria.

The Council discussed key issues including federalism, climate change and water reform. In addition, the Council discussed ongoing work, particularly harmonisation and policy innovation areas and addressed a number of key issues which have become of public concern such as reporting of large water consumers.

The meeting was attended by Premiers from Victoria, Queensland, New South Wales, South Australia, the Chief Minister of the Northern Territory and the Deputy Premier of Tasmania. The Government of the Australian Capital Territory (ACT) is in caretaker period, pending the Legislative Assembly Election scheduled for 18 October. The Government of Western Australia (WA) is in caretaker pending the formation of government following the 6 September election. Officials from the ACT and WA attended the meeting as observers.

Making our federalist system work better

CAF is committed to new and innovative policy responses to support the national interest and in 2007 commissioned work to explore the future of federalism. Federalism is based on shared principles, including respect for the constitution and the divisions of powers and responsibilities. It allows for diversity in policy priorities and their mode of implementation, and encourages consultation and co-operation on common matters where this promises the best outcomes.

Today, CAF endorsed the first stage of a Best Practice Federalism project. The project seeks to identify and develop practical aspects of Federalism in the current Australian context. Together with CAF's Federalist Paper series, *The Future of Schooling in Australia* (2007) and *Australia's Federal Future* (2007), the final report on Best Practice Federalism will explore the emerging principles of better governance and policy-making in our federal context and identify and develop practical ways forward to enable Australian federalism to work better.

Tackling climate change

Climate change is one of the pre-eminent challenges for our economies and for the federation. Climate change is of critical significance to state and territory interests and the national economy, and as such, has been a priority issue for CAF.

CAF continues to show leadership in this most challenging area of public policy and, today, the Council made further progress in the following areas:

- Carbon Pollution Reduction Scheme
- Sharing of best practice through the Climate Change Clearing House.

Carbon Pollution Reduction Scheme

Today States and Territories discussed the Commonwealth's Carbon Pollution Reduction Scheme (CPRS). CAF agreed to undertake further work on the possible impacts of the CPRS on their communities including through identifying the potential opportunities and benefits of the Scheme.



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Sharing of best practice through the Climate Change Clearing House

In February 2008, Premiers and Chief Ministers met with a delegation from Canadian provinces to discuss issues of shared interest, including subnational responses to climate change. The heads of Australian and Canadian regional governments recognised that subnational jurisdictions were taking a lead role in driving the climate change policy agenda at both the national and international level, and that there were tangible benefits in the bilateral sharing of best practice policy between regional governments.

Australian and Canadian delegations made an undertaking to work together to develop a stocktake of current initiatives to reduce greenhouse gas emissions in the states and territories. The resulting stocktake *Climate Change: Best Practices by State and Territory Governments in Australia* is now available on the CAF website in the spirit of co-operation between Australian and Canadian regional governments. The stocktake outlines the best practice policy initiatives across a range of sectors to capture new responses and aid rapid dissemination of ideas in this critical area.

Water reform – National system for reporting water consumption

CAF's leadership in the area of water reform continues with agreement today to pursue a national system for reporting urban water consumption.

At a previous CAF meeting, State and Territory leaders identified the need for better national co-ordination on water reform. A working group chaired by Victoria was established to develop and implement a national system for reporting urban water consumption publicly, particularly in relation to large users.

Today, CAF completed its work in this area and agreed to recommend to the Council of Australian Governments (COAG) the introduction of a framework for the national reporting of urban water consumption, building on existing reporting mechanisms.

If adopted, the National System for Reporting Water Consumption will be the benchmark for reporting on urban water consumption. The framework seeks to enhance the consistency of water information nationally, thereby improving decision-making and providing information to improve public knowledge about water use and management.

National standards for electric vehicles

States and Territories recognise that challenges in the global environment such as rising fuel costs and growing concern about climate change are driving demand for alternative fuel vehicles.

Electric vehicles, namely vehicles driven solely on electrical power, are one of a number of low-emission, fuel efficient vehicles currently being developed by automotive manufacturers. Electric vehicles require supporting infrastructure to be a viable alternative to other fuel sources. Infrastructure requirements include recharging capability at the home/vehicle base and public locations and possibly battery exchange stations. There are currently no agreed network standards for electric vehicles.

Today CAF demonstrated leadership on this issue and committed to a national course of action to address infrastructure and regulatory requirements to support the introduction of electric vehicles in Australia. Victoria and South Australia will report back to CAF in 2009 on issues requiring national co-ordination for the rollout of electric vehicles in Australia.

CAF also agreed to examine arrangements for car registration requirements for zero and/or low emissions vehicles.



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Harmonising ANZAC Day

The reduction of red tape and the harmonisation of regulation across borders is a key priority for CAF where there is a demonstrable service delivery value. At the 21 February 2008 CAF meeting, Premiers and Chief Ministers noted that cross-jurisdictional anomalies place a significant burden on individuals and business and agreed to pursue a harmonisation schedule that would focus on cross-jurisdictional anomalies that States and Territories could address without Commonwealth involvement.

Today, First Ministers noted the achievements in harmonisation across states and territories to date and agreed to broaden the harmonisation agenda to enable consideration of common issues across jurisdictions.

One of the issues addressed by CAF was ANZAC Day. ANZAC Day is recognised nationally on 25 April each year as an occasion of national commemoration. All States and Territories have legislation that prescribes ANZAC Day as a public holiday. While ANZAC Day is always commemorated on 25 April, there are varied legislative approaches to whether the public holiday is observed on the following Monday (i.e. a long weekend) when ANZAC Day falls on a Sunday.

Today, States and Territories agreed in principle to take steps to harmonise arrangements for the provision of the ANZAC Day public holiday as follows:

- a substitute public holiday on the following Monday where ANZAC Day falls on a Sunday
- a substitute public holiday on the Tuesday when ANZAC day falls on Easter Monday in 2011.

States and Territories agreed that jurisdictions which already provide for an additional public holiday on the Monday (South Australia and Western Australia) will not be impacted by this decision.

Tasmania's in principle support is subject to consultation with business and industry.

Recognising the contribution of the not-for-profit sector

The not-for-profit sector plays a vital social and economic role in Australian society. Given the not-for-profit sector's significant contribution, states and territories have an important role to play in ensuring that the administrative and regulatory burden faced by the sector is minimised to facilitate its effective operation.

The Council acknowledged the importance of states and territories working together in this regard and agreed to establish a working group chaired by Victoria to identify possible areas for co-operation and opportunities for harmonisation.



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Ongoing work of the Council for the Australian Federation

The Council remains committed to its ongoing program of work. Today CAF agreed to its Forward Work Plan and meeting schedule for 2009. CAF remains committed to practical policy reforms and agreed that CAF's strength lies in developing new and innovative policy responses to support the national interest.

CAF discussed a model for sharing of best practice in national policy research and innovation, similar to that operated by the National Governors' Association (NGA) in Washington DC. The Council will extend an invitation to the Director of the NGA to address CAF at some time in the future.

Premiers and the Chief Minister discussed their joint contribution to the significant changes occurring across the federation as a result of the COAG national reform agenda, in particular the new Commonwealth-State financial framework. All Premiers and the Chief Minister agreed that CAF can continue to make a valuable contribution to these processes.

Organisation of the Council

In accordance with the CAF founding Intergovernmental Agreement, Premiers and Chief Ministers chair the Council on a rotating annual basis. Premier Brumby will cease as Chair of CAF and the Premier of Queensland, the Honourable Anna Bligh MP, will assume the position of Chair from 13 October 2008.