

MEMORANDUM OF UNDERSTANDING

BETWEEN

the State of New South Wales

and

the State of Victoria

and

the State of Queensland

and

the State of Western Australia

and

the State of South Australia

and

the State of Tasmania

and

the Australian Capital Territory

and

the Northern Territory of Australia

TO

**ESTABLISH THE COUNCIL FOR THE AUSTRALIAN
FEDERATION SECRETARIAT**

BACKGROUND

On 13 October, the State of New South Wales, the State of Victoria, the State of Queensland, the State of Western Australia, the State of South Australia, the State of Tasmania, the Australian Capital Territory, and the Northern Territory of Australia entered into *An Agreement to establish the Council for the Australian Federation*. The agreement included provision for the Council for the Australian Federation to make arrangements for the establishment and operation of a Secretariat.

THE PARTIES AGREE AS FOLLOWS:

1. Interpretation

“**Chair**” means the Chair of the Council.

“**Council**” means the Council for the Australian Federation established under *An Agreement to establish the Council for the Australian Federation* dated 13 October 2006.

“**First Ministers**” means the Premiers of the States and the Chief Ministers of the Territories.

“**Intergovernmental Agreement**” means *An Agreement to establish the Council for the Australian Federation* dated 13 October 2006.

“**MOU**” means this document called a Memorandum of Understanding and all Appendices to this document.

“**Parties**” means the State of Queensland, the State of New South Wales, the Australian Capital Territory, the State of Victoria, the State of Tasmania, the State of South Australia, the State of Western Australia and the Northern Territory of Australia.

“**Secretariat Board**” means the Senior Officials of First Ministers’ departments or their delegates.

2. Objectives, principles and scope

2.1 The objectives of this MOU are to:

- a) establish the location and operation of the Secretariat;
- b) establish the governance and reporting arrangements for the Secretariat; and

c) establish the funding arrangements for the Secretariat.

2.2 The Parties shall administer this MOU on the basis of the following principles:

- a) shared responsibilities, and mutual and equitable benefits; and
- b) shared costs of cooperation according to the Parties' representation in the Senate of the Commonwealth Parliament.

2.3 This MOU shall not, in any way, be construed as:

- a) creating a legal relationship between the Parties;
- b) demonstrating an intention to enter into a legal relationship between the Parties;
- c) binding the parties to any course of conduct or promise; or
- d) constituting any representation as to the intentions of the Parties.

3. Term

3.1 This MOU shall come into effect upon the date of the final signature by the Premiers and Chief Ministers of the Parties and shall remain in place for as long as the Council exists.

4. Withdrawal

4.1 Consistent with the Intergovernmental Agreement, a party may withdraw from this MOU by giving not less than six months notice in writing, to each of the other parties.

4.2 If a party withdraws from this MOU, the MOU will remain in force in relation to the remaining parties.

5. Amendment

5.1 This MOU may be amended by a decision of the Council recorded in writing.

5.2 Amendment of this MOU shall not affect the validity or duration of any research, projects, or other collaborative activities of the Council, unless otherwise agreed between the Parties in writing.

6. Location of the Secretariat

- 6.1 The Council has determined that the Secretariat will be located in Brisbane and shall be established as a work unit forming part of the Department of the Premier and Cabinet, Queensland.

7. Operation of the Secretariat

- 7.1 The Secretariat will assist the Chair in preparation for meetings of the Council and perform any task that the Council assigns to it including:
- (a) providing executive level support, strategic advice, information and guidance to the Council through the Chair on key intergovernmental issues, matters of national significance to the States and Territories and national public policy development issues;
 - (b) building and maintaining networks and liaising with relevant stakeholders to support the policy work of the Council;
 - (c) co-ordinating and managing the Council's meeting program and research program including financial plans and reports to support key decisions and initiatives;
 - (d) co-ordinating briefings, agenda papers, communiqués and reports which support the Council and enable it to constructively discuss issues and make informed decisions; and
 - (e) co-ordinating and monitoring implementation across State and Territory Governments of Council's decisions and initiatives.
- 7.2 Pursuant to the Intergovernmental Agreement, the Secretariat will not perform a lobbying function on behalf of the Council nor purport to represent the views of the Council or any of its members, except where it has been given express instructions to do so by decision of the Council.
- 7.3 The Secretariat will be led by a Director. The residual staffing establishment of the Secretariat will be determined by the Secretariat Board.
- 7.4 The Secretariat Board may alter the staffing establishment of the Secretariat from time to time to meet the needs of the Council's work program.
- 7.5 Secretariat staff will be employed as members of the Queensland Public Service under the *Public Service Act 1996* (Qld).
- 7.6 The operation of the Secretariat will be reviewed by the Council no later than three years after this MOU takes effect.

8. Governance and reporting arrangements for the Secretariat

8.1 In addition to the primary responsibility of the Secretariat to report to the Council, and for routine matters to report to the Chair of the Council, the Director of the Secretariat will also liaise with and report to:

- (a) the Chair of the Council for Council meeting planning and coordination;
- (b) the Secretariat Board through the Chair's Senior Official for the development of policy proposals for consideration by the Council; and
- (c) the Director-General, Department of the Premier and Cabinet, Queensland, for financial operations and administrative matters associated with the establishment and operation of the Secretariat.

8.2 The Director-General, Department of the Premier and Cabinet, Queensland, is an accountable officer for the financial operations of the Secretariat pursuant to the provisions of the *Financial Administration and Audit Act 1997* (Qld).

9. Funding of the Secretariat

9.1 The projected budget to establish and operate the Secretariat is set out in Appendix 1.

9.2 The projected budget has been prepared based on the anticipated activities of the Secretariat, and may be subject to review once the Secretariat has been established.

9.3 The budget costs will be funded by the Parties according to their representation in the Senate of the Commonwealth Parliament.

9.4 With the exception of the first year, funding should be made available at the beginning of each financial year.

9.5 The budget will be reviewed annually and approved by the Council.

9.6 If at the end of a financial year the Secretariat has a budget surplus, the surplus funds will be available to the Secretariat for use in the following financial year, and will be taken into account in the budget for that year.

9.7 If at the end of a financial year the Secretariat has a budget deficit, the Secretariat will report the deficit to the Council to consider how the Parties will fund the deficit and any requirements for future adjustments to the budget.

9.8 If a party withdraws from this MOU pursuant to paragraph 4.1:

- (a) the withdrawing party is not entitled to a refund of any funding it has made in that financial year; and
- (b) the Council will consider any requirements for future adjustments to the budget.

10. Dissemination of material

10.1 The Secretariat will submit material prepared or commissioned by the Secretariat, including briefings, agenda papers, communiqués and reports, to the Council to approve whether or not this material is to be disseminated to the general public.

11. Other Agreements

11.1 This MOU is without prejudice to any cooperation which may be undertaken pursuant to any other agreement between the Parties.

EXECUTION BY THE PARTIES

Signed for and on behalf of each of the Parties by

The Honourable Morris Iemma MP
Premier of New South Wales

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Date

The Honourable Steve Bracks MP
Premier of Victoria

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Date

The Honourable Peter Beattie MP
Premier of Queensland

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Date

The Honourable Alan Carpenter MLA
Premier of Western Australia

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Date

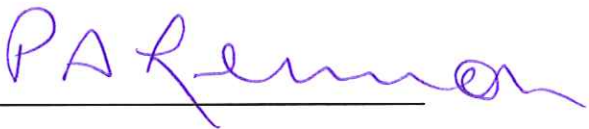
The Honourable Mike Rann MP
Premier of South Australia

9/2/07
Date

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The Honourable Paul Lennon MHA
Premier of Tasmania

Date

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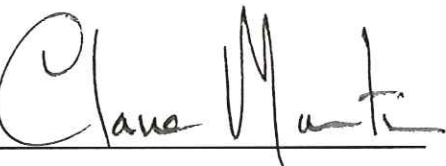
Katy Gallagher MLA
Acting Chief Minister of the
Australian Capital Territory

Date

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The Honourable Clare Martin MLA
Chief Minister of the Northern Territory

Date

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**DEPARTMENT OF PREMIER AND CABINET
NEW INITIATIVE COSTING SCHEDULE - 2006-07**

OUTPUT:

Council for the Australian Federation

Name of Proposal:

(insert Proposal Name)

(staff: SES4.1 x 1, SO1.1 x 1, AO7 x 2, AO4 x 1)

Ref.	Standard Cost	Note	2006-07 Budget (12 Month) \$	2006-07 Budget (5 Month) \$	2007-08 Budget \$	2008-09 Budget \$	2009-10 Budget \$
			20,000	20,000	0	0	0
			0		0	0	0
TOTAL CAPITAL EXPENDITURE			20,000	20,000	0	0	0
CENTRALISED COSTS - DO NOT INPUT DATA HERE DO NOT ENTER DATA INTO THE PURPLE CELLS							
25	Building Services		85,250	35,521	86,955	88,694	90,468
	52610 Rent Office	9,300	Cent	77,000	32,033		
	52640 Electricity / Gas	400	Cent	2,000	833		
	52650 Cleaning	500	Cent	2,500	1,042		
	52660 Security	750	Cent	3,750	1,563		
26	Corporate Services Costs		Cent	87,519	36,466	91,019	94,660
	Corporate Solutions Queensland - change in SSP payments		Cent	6,240	2,600	6,240	6,240
TOTAL CENTRALISED COSTS			179,009	74,587	184,214	189,594	195,155

27	DEPRECIATION DO NOT ENTER DATA INTO THE PURPLE CELLS						
	Printers		Calc	0		0	0
	Software		Calc	0		0	0
	Office Equipment		Calc	4,000	1,667	4,000	4,000
	Furniture & Fittings		Calc	0		0	0
TOTAL DEPRECIATION				4,000	1,667	4,000	4,000

BUDGET REQUIRED - OUTPUT	1,328,176	742,398	1,066,061	1,101,116	1,137,437
BUDGET REQUIRED - EQUITY	20,000	20,000	0	0	0
TOTAL BUDGET REQUIRED	1,348,176	762,398	1,066,061	1,101,116	1,137,437

Note:

Notes should be attached which provide justification for items of expenditure and indicate the basis on which they were formulated, eg historical costs, quotations, extrapolation etc.

DEPARTMENT OF PREMIER AND CABINET
Salaries Spreadsheet
Council for the Australian Federation Secretariat

Refer to Guidelines when Attempting to complete

Guideline Ref	Name	Note	Position/Classification	Fortnightly Pay	FTE	No. FN	Leave Loading	Cost	Notes
1	Salaries Wages and Related								
	<i>Plus Projection:</i> Salaries:		2006-07 Salary Levels						
			SES4.1	6,037	1.00	26.09	2,100.00	160,100	
			SO1.1	3,879	1.00	26.09	1,400.00	102,600	
			AO7	3,014	2.00	26.09	2,100.00	159,400	
			AO4	2,061	1.00	26.09	700.00	54,500	
	Total Staff				5.00				
			Sub-Total					476,600	
2	Allowances							5,958	Based on trend but adjusted for peaks
	Salaries Wages and Related		TOTAL - FULL YEAR					482,558	
3	Long Service Levy							8,300	
4	Salary Related Taxes								
	<i>Plus Projection:</i> Payroll Tax:							15,500	Taxes based on standard 4.8% of salary and superannuation costs
	Fringe Benefits Tax:							9	FBT should approximate last year
	Salary Related Taxes		TOTAL - FULL YEAR					25,500	
5	Superannuation							60,800	Based on 12.75% Superannuation
	Superannuation		TOTAL - FULL YEAR					60,800	
6	Other Employee Expenses								
	<i>Workers Compensation</i> <i>SIRAS & Employment assistance services</i>							3,800	Based on standard 0.70% of salary, allowances and super costs
								2,500	
	Other Employee Expenses		TOTAL - FULL YEAR					6,300	
	Total Projected Salary Cost							583,458	