



Council for the Australian
Federation

CAF COMMUNIQUÉ

Meeting 5 November 2009

ADELAIDE, 5 November 2009: The Council for the Australian Federation (CAF) held its seventh meeting today in Adelaide.

The Council meeting had a special focus on climate change, building on CAF's leadership role in this area. First Ministers focused on opportunities for partnering with business and the international community and on issues relating to adaptation, sea level rise, agriculture, economic adjustment and low carbon technologies.

The meeting was hosted by the Honourable Mike Rann MP, Premier of South Australia, and chaired by the Honourable Nathan Rees MP, Premier of New South Wales. The meeting was attended by all State and Territory First Ministers, with the exception of the Premier of Queensland, the Honourable Anna Bligh MP, and the Northern Territory Chief Minister, the Honourable Paul Henderson MLA. Premier Bligh participated by teleconference and was represented in person by the Honourable Kate Jones MP, Minister for Climate Change and Sustainability. The Northern Territory was represented by the Acting Chief Minister, the Honourable Delia Lawrie MLA. The Honourable John Robertson MLC, New South Wales Minister for Climate Change and the Environment also participated in the meeting via teleconference.

The meeting was preceded by a roundtable discussion with representatives from the business sector. Discussion focused on the roles of State and Territory governments and the business sector and how governments can work with business to take strong targeted action on climate change. This was underpinned by a shared understanding that we all need to work together to accelerate Australia's response to climate change.

Climate Change

Climate change affects all Australians and will have enormous environmental, economic and social implications, both now and into the future. Recent events across Australia, including devastating bushfires and droughts, have underscored the harsh realities of living with climate change. We will continue to face these threats and the urgency of our response to climate change will increasingly be an issue of national importance.

All parts of Australian society, including individuals, communities, business, non-government organisations and all levels of government, will need to work together to adapt to climate change and move to a low carbon economy. Australian governments at all levels will need to collaborate to establish shared goals, deliver consistent messages, set clear divisions of responsibility and take action in areas of common interest and concern.

First Ministers support the increasing international call for national leaders to negotiate a strong global agreement at the United Nations Framework Convention on Climate Change (UNFCCC) in Copenhagen in December 2009 that:

- reduces the prospect of dangerous climate change



- implement policy measures to deliver the emissions reductions needed to meet domestic commitments.

First Ministers noted an emissions trading scheme in Australia will be an important component of a suite of measures to facilitate Australia's necessary abatement effort. State, Territory and local governments are already playing a key role in responding to climate change and working towards a low carbon economy. First Ministers recalled their commissioning of the work by Professor Ross Garnaut, and discussed the specific contribution Australian State and Territory governments can make to the next wave of climate change reform.

States and Territories Business Roundtable

First Ministers met with Australian business leaders from Santos, Alstom Australia, ARUP, Better Place Australia, BP Australasia, Bunnings, CISCO Systems, GE Australia IBM, Lend Lease, Macquarie Bank, Origin Energy, and Swiss Reinsurance, to discuss climate change and how business and government can best work together.

The discussions were facilitated by Mr Steve Howard, CEO of the Climate Group – a not-for-profit organisation established to help governments and business set the world on a path to a low carbon, prosperous future.

First Ministers and business leaders examined a range of issues. These included:

- smart, climate resilient cities
- connected urban development and planning
- smart buildings and energy efficiency
- support for electric vehicles
- renewable energy
- removing barriers to transforming energy sector in a low carbon economy.

The Roundtable will be followed by a one-day CAF-sponsored workshop to clearly define future collaborative action and outcomes in the areas discussed.

International Climate Change Action

The State and Territory governments of Australia recognise the magnitude and urgency of the challenges required to deal effectively with climate change on a global basis. Sub-national governments play an important role in tackling climate change by designing and implementing policies, programs and legislation in areas such as energy, environment, transport and land-use, that take into account the specific characteristics of our regions. First Ministers discussed the specific contributions that Australian State and Territory governments can make with other sub-national governments to the international climate change agenda in the lead up to the meeting of.

Australian State and Territory governments agreed to strengthen existing commitments to work with and learn from other sub-national governments on climate



change, through the establishment of a States and Territories International Partnerships Program. The program will initially focus on:

- coordinating climate change assistance to sub-national governments in developing regions
- coordinating a strategic program of cross-jurisdictional exchanges between leaders, practitioners and experts
- establishing a centralised information and research exchange program
- investigating the potential for international climate change sector agreements for particular industry sectors.

First Ministers also recognised the importance of the work of business and non-government organisations in facilitating regional partnerships and resolved to work closely with these and other relevant organisations in the delivery of the International Partnership Program.

First Ministers agreed that Premier Rann, as current Chair of the States and Regions Alliance, will table a Statement of Commitment on their behalf, at the Climate Leaders Summit, in Copenhagen in December 2009. This Statement recognises the existing and future contributions of sub-national governments in responding to climate change. Premier Rann will be accompanied by other representatives of sub-national governments, including Minister Jones.

A new wave of national reform on climate change

Climate change is of critical significance to State and Territory interests. First Ministers are committed to progressing a nationally consistent climate change response, as part of a range of measures to boost Australia's productivity. They agreed to pursue a process for national climate change policy reform, building on the good work to date by COAG and Ministerial Councils.

As an immediate step forward, First Ministers agreed to provide priorities for reform for discussion with the Commonwealth at the December COAG meeting. These reform priorities reflect the critical role of States and Territories in pursuing the national reform agenda on climate change. We look forward to a positive response to these proposals from the Commonwealth.

In particular, First Ministers will focus on the following priorities and initiatives:

- identification of national priorities and clarification of roles and responsibilities
- a fair share of funding for States and Territories in responding to the impacts of climate change and emissions trading
- a cooperative approach between the three levels of government in providing assistance to regions adversely affected by an emissions trading scheme, including a clear framework for the provision of assistance
- improving collaboration on:
 - a national strategy for research development demonstration and deployment for low emission technologies



- greater skills and training to build workforce capacity
- infrastructure upgrades to ensure a low carbon-built environment
- electricity grids capable of supporting renewable energy investment
- national coordination in response to key adaptation risks
- climate change adaptation (including sea-level rise)
- individuals and communities empowered to take action on climate change.

Adaptation and Sea Level Rise

The challenge of helping communities adapt to climate change, including sea level rise and managing devastating fires, droughts and floods, is a priority for State and Territory governments.

First Ministers agreed today to establish a CAF adaptation working group to identify priority national actions and to develop a shared understanding of roles and responsibilities between the three levels of government.

First Ministers agreed that a priority for the CAF adaptation working group will be the consideration of sea level rise and coastal vulnerability issues.

Climate Change and Agriculture

First Ministers recognised the need to respond collaboratively to the important issues of agriculture, forestry and land-use change in the context of national and international climate change policy developments. They agreed to seek Commonwealth Government support for the establishment of a new inter-jurisdictional body to develop priority national positions on:

- the inclusion of agriculture in an emissions trading scheme
- the treatment implications of land-use, land-use change and forestry activities
- progress under the voluntary carbon offset market.

First Ministers also agreed that the work program of this new body would be aided by further modelling and cost-benefit analysis to identify opportunities for farmers and land managers to abate and offset carbon emissions.

Health and Hospitals Reform

Australia's health outcomes are some of the best in the world. The health system is however under growing pressure and health reform is one of Australia's pressing policy priorities. Following the recent release of the National Health and Hospitals Reform Commission report and other relevant recommendations, including those relating to preventative health, First Ministers agreed to identify high priority areas for discussion at COAG that will advance national decision making in this vital area. First Ministers look forward to a discussion with the Prime Minister at COAG on 7 December, focussing on the major challenges of our health system, principles to guide reform and priority reform areas.



Taxation reform

First Ministers agreed that taxation reform remains an important policy priority and look forward to engaging the Commonwealth immediately following the presentation of the Henry Tax Review. First Ministers noted the Commonwealth Treasury's recent projection of significant population growth and reiterated that reform of taxation must ensure that States and Territories have access to a strong, secure and stable revenue base to support the provision of vital community services and infrastructure provided by the States and Territories including hospital, education, transport, policing, and other community services.

FIFA World Cup

First Ministers expressed their continuing support for the Football Federation of Australia's bids to host the 2015 Asian Football Confederation Asian Cup and the 2018 or 2022 Federation Internationale de Football Association (FIFA) World Cup finals. First Ministers look forward to assisting the Commonwealth to develop the Australian national bid and a consistent approach to cost and risk sharing. First Ministers agreed that a national coordinator be engaged to oversee the bid and beyond. Premier Rees, as Chair of CAF, will write to the Prime Minister on this matter.