



Premier Will Hodgman	Head of First Ministers Dept: Greg Johannes Deputy Head: David Nicolson	Liberal Government Next Election: in or before 2018
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## 1. What Tasmania wants on the COAG agenda

- Premier Hodgman has requested that public hospitals funding remain on the COAG agenda (see [Attachment B](#)). [REDACTED] s 47B(a) [REDACTED]. The PM will be writing to First Ministers regarding the next COAG meeting shortly.

## 2. Commonwealth-state areas Tasmania is most interested in, or sensitive to

- Premier Hodgman has publicly promised to “fight and defeat” the PM’s recent proposal on **GST distribution** and a **potential GST floor**, which he considers will particularly impact Tasmania. At SOM, Tasmania supported initial engagement through the Council on Federal Financial Relations (CFFR).
  - The PM has written to First Ministers emphasising [REDACTED] s 47B(a) [REDACTED], and that the Treasurer would raise through CFFR at the appropriate time.
- Continuing the **Joint Commonwealth Tasmania Economic Council (JCTEC)** is a priority for Tasmania.
  - [REDACTED] s 47B(a) [REDACTED].
  - The Secretary and John Fraser recently met with their Tasmanian counterparts to discuss JCTEC. [REDACTED] s 47B(a) [REDACTED].
  - [REDACTED] s 47B(a) [REDACTED].
- Premier Hodgman is seeking the Commonwealth’s longer term commitment to **Mersey Hospital** (the only public hospital the Commonwealth owns and funds a state to run) given the current service agreement for its operation/management (\$148.5 million over two years) expires on 30 June 2017.
  - [REDACTED] s 47B(a) [REDACTED].
- **Jobs and growth** in Tasmania, and its regional economy, is a shared priority. Tasmania is seeking delivery of Commonwealth infrastructure commitments as soon as possible. It also wants Commonwealth infrastructure investment to better respond to its local needs.
  - The **Launceston City Deal** is an opportunity for each tier of government to cooperate on local priorities. Its centrepiece is the Commonwealth’s \$130 million commitment to relocate/expand Launceston’s University of Tasmania (UTAS) campus. Assistant Minister Taylor’s Tasmania visit last month involved positive discussions with the Premier, UTAS and other stakeholders. An intergovernmental officials group will scope focus areas for the Deal, which is expected to be signed by early 2017.
  - The Commonwealth will partner with local communities and business to roll out its \$25 million **Regional Tasmania Jobs and Investment Package**. Grants will be provided for business expansion, local infrastructure, and skills and training. The Commonwealth will seek funding contributions from project proponents/other levels of government.
  - Further jobs are being created from nearly \$1 billion Commonwealth investment in **local infrastructure** in Tasmania. This includes \$400 million for the Midland Highway upgrade and over \$2.1 billion to enhance Tasmania’s status as a global hub for Antarctic research. See [Attachment D](#) for further details.
  - The state will also benefit from Commonwealth investment in **defence facilities** in Tasmania, [REDACTED] s 47B(a) [REDACTED]. [REDACTED] s 47B(a) [REDACTED].

- Tasmania considers a second **Bass Strait Interconnector** will strengthen its link to the National Electricity Market. The Commonwealth has committed to support the interconnector's construction subject to completion of a business case; a joint feasibility study with Tasmania is continuing.
- Tasmania is also interested in working with the Commonwealth on **competition and contestability in human services**. See [Attachment E](#) for an overview of Tasmania's interests in this area.
- Mr Andrew Rayner leads the Transport Working Group under the **National Disability Insurance Scheme (NDIS) senior officials working group to examine issues with transitioning transport support, and will provide advice to senior officials by June 2017 to help inform full rollout. The Tasmanian Government initially ended access to their state taxi subsidy scheme for NDIS participants, but due to stakeholder concerns, Tasmania recently extended their subsidy program to June 2017.**

**Attachment A:** Bios on Head and Deputy Head of Premier's Department, and on Mr Andrew Rayner

**Attachment B:** Letter from Premier Hodgman

**Attachment C:** Draft PM response to Premier Hodgman on JCTEC

**Attachment D:** Further information on Commonwealth infrastructure commitments in Tasmania

**Attachment E:** Tasmania's interests in competition and contestability in human services

**Attachment F:** 2016-17 State Budget Summary

## ATTACHMENT D

### Further information on Commonwealth infrastructure commitments in Tasmania

- The Government is committed to working with Tasmania to invest in infrastructure projects that are in the best interests of the Australian and Victorian economies.
- The Commonwealth is providing \$923 million to Tasmania for **land transport infrastructure** from 2013-14 to 2019-20.
  - Significant projects funded in Tasmania include:
    - \$400 million to upgrade and improve safety on the Midland Highway;
    - \$59.8 million to upgrade the freight rail network across Tasmania;
    - \$25.6 million to upgrade the Brooker Highway; and
    - \$17.5 million to upgrade the Huon Highway.
  - We understand that Minister Chester MP has written to his state counterparts to progress the implementation of these important commitments (see letter attached).
- In addition, the Commonwealth is investing over \$2.1 billion to enhance Tasmania's status as a **global hub for Antarctic research** and the premier Gateway to East Antarctica. This includes a new custom built icebreaker, due to arrive in Australia in mid-2020, the single biggest investment in the history of the Australian Antarctic programme.
- Tasmania is well positioned to continue to take advantage of the growing demand for **tourism** and the Commonwealth looks forward to continue to partner with Tasmania.
  - Commonwealth commitments in this area include nearly \$4 million to complete the Three Capes Track and boost tourism and \$1 million to the Cradle Coast Authority to progress the Cradle Mountain Master Plan to an investment-ready stage.
  - s 47B(a)

## ATTACHMENT E

### Tasmania's interests in competition and contestability in human services

- Tasmania was highly successful at meeting its reform commitments under the previous National Competition Policy agenda.
  - The Commonwealth encourages the same level of ambition under the upcoming IGA on competition and productivity-enhancing reforms.
  - Tasmanian officials have indicated Tasmania has already completed a number of the proposed regulatory reforms in the IGA and are interested in the back-casting of payments. This will be discussed as part of the Regulatory Reform NP once the IGA is settled.
- Tasmanian DPC officials have indicated that Tasmania is also keen for the work on competition and contestability in human services (currently led by Treasuries) to be informed by a broad array of stakeholders to ensure both an economic and social policy perspective is brought to the table.
  - The draft IGA only incorporates very high-level principles on human services which will frame the development of a subsequent National Partnership Agreement on human services. The Commonwealth Treasury is working with state counterparts to nuance the principles in the IGA to try and address the concerns of particular states.
  - State DPC officials will have an opportunity to ensure a broad perspective is brought to consideration of the principles in the IGA when the IGA is discussed at SOM, ahead of consideration by COAG before the end of the year.
  - s 47B(a)