



Dominic Perrottet MP
Premier of New South Wales

Ref: A5391005

The Honourable Anthony Albanese MP
Prime Minister
Parliament House
CANBERRA ACT 2600

Dear Prime Minister,

A handwritten signature in blue ink, appearing to read 'Anthony', written over the 'Dear Prime Minister,' line.

Congratulations on your election as Prime Minister of Australia.

I am writing to you as Chair of the Council for the Australian Federation (CAF) to advise on actions and priorities agreed at a meeting of CAF on Wednesday 27 April 2022. CAF includes all state and territory leaders, working together to support and enhance our federal system. As Australia emerges from the COVID-19 pandemic, there is a real opportunity to work constructively towards ambitious and innovative national reform.

Pandemic Health Response Funding

The COVID-19 pandemic has placed unprecedented demands on Australian health systems over the past two years and has significantly disrupted the delivery of business-as-usual health care. As Australia emerges from the pandemic, there is an urgent need for First Ministers to consider how to meet the immediate challenge of clearing the backlog of surgery waitlists, deferred care and elective treatments, as well as ensuring the long term capacity of the health care system.

Resolving this issue is a shared responsibility. If no action is taken, states and territories face significant funding uncertainty and budgetary risk. The Commonwealth also faces increased primary health care needs among impacted cohorts.

I note that the Commonwealth has extended the National Partnership Agreement on COVID-19 Response (NPCR) to 30 September 2022. Whilst this is a positive step, further work is needed to address broader impacts to the health system itself and supporting health funding models.

At its meeting on 27 April 2022, CAF agreed that, at its next meeting following the federal election, the National Cabinet should consider the following actions:

- Committing to funding for the National Partnership Agreement on COVID-19 Response to at least 30 June 2023, including Private Hospital Financial Viability Payments to support health system capacity.
- Committing to work cooperatively to support addressing deferred care as a result of the pandemic, including 50:50 funding of elective surgery catch-up activity.
- Suspending the 6.5 per cent annual funding growth cap under the National Health Reform Agreement until at least 30 June 2025.
- Committing to work collaboratively with states and territories to transition to more sustainable funding arrangements following the conclusion of the NPCR.

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To assist, I would be pleased to co-sponsor a paper with Premier Daniel Andrews on this issue for consideration by the National Cabinet.

CAF Priorities for 2022

CAF has agreed that its most urgent area of focus for 2022 is reform of Australia's health care system to improve the interface between the primary health and hospital sectors and improve patient outcomes. In addition, CAF endorsed pursuing the following focus actions:

- Reviewing the operation of our Federation to apply the lessons learnt managing the COVID-19 pandemic and prepare for future challenges;
- Driving changes to the Disaster Recovery Funding Arrangements (DRFA), to ensure a more consistent and equitable approach across the country and streamlined processes; and
- Working with Treasurers on key federal financial relations reforms.

I anticipate that state and territory consideration of these matters will support productive discussion of potential reforms through National Cabinet at a future date.

Should officers from your department wish to discuss these matters further, they should contact Ms Sarah Cruickshank, Deputy Secretary, Department of Premier and Cabinet NSW on s 47F or via email at s 47F.

I look forward to working with you as Chair of CAF and through the National Cabinet in 2022.

s 22(1)(a)(ii)

Dominic Perrottet MP
Premier

CC: The Hon Daniel Andrews MP, Premier of Victoria; The Hon Anastacia Palaszczuk MP, Premier of Queensland
The Hon Mark McGowan MLA, Premier of Western Australia;
The Hon Peter Malinauskas MP, Premier of South Australia; The Hon Jeremy Rockliff MP, Premier of Tasmania;
Mr Andrew Barr MLA, Chief Minister of the Australian Capital Territory;
The Hon Natasha Fyles MLA, Chief Minister of the Northern Territory

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Dominic Perrottet MP
Premier of New South Wales

Ref: A5408956

The Hon Anthony Albanese MP
Prime Minister
Parliament House
CANBERRA ACT 2600

Anthony
Dear Prime Minister,

I am writing in regards to the NSW February-March 2022 Severe Weather and Floods event, and particularly on the recovery activities co-funded by the Commonwealth Government to support impacted individuals and communities.

As you would be aware, the recent floods caused extensive damage across the State, impacting individuals, homes and businesses. The recovery from this unprecedented natural disaster event is ongoing.

With support from the Commonwealth Government, the NSW Government is currently administering nearly \$3.5 billion across 30 funding packages. These packages support the clean-up, deliver a range of housing solutions, provide adequate mental health support, assist in the recovery of the education sector, support the resumption of businesses, and repair and reconstruct infrastructure assets.

As we progress through the recovery phase, our experience indicates that there are a number of guideline requirements and data limitations associated with this assistance which are preventing funding being expedited. Therefore I am writing to seek your agreement to the below changes to ensure impacted communities can accelerate their recovery.

Simplifying access for the \$50,000 small business grant

Under the current arrangements for small businesses in the Northern Rovers, funds of up to \$25,000 will be provided to eligible applications based on quotes submitted on application with no evidence of payment at that stage. To receive funds of between \$25,000 and \$50,000, applicants need to submit evidence of payment of the relevant costs at the time of the application.

We seek your support to allow up to the full value of the \$50,000 grant to be payable to eligible applicants, paid upon provision of photos of damage and estimates of costs, rather than an invoice-based claim process. We propose that this change only be applicable to small businesses located in the highly impacted local government areas (LGAs) in the broader Northern Rivers administrative group - being Ballina, Byron, Lismore, Kyogle, Richmond Valley, the Tweed Shire and the Clarence Valley.

Given recent streamlining of application processes for sole traders, we propose that this change be for non-sole traders only.

We believe this change will facilitate an accelerated rebuild and recovery for small businesses, many of whom do not have sufficient cash flow to make advanced payments as required under the current guidelines.

Data Sharing

To further expedite claims, I am seeking your endorsement of a data sharing arrangement between the Commonwealth and NSW to assist NSW to use taxation data to verify the eligibility of individuals applying for financial support for impacted businesses.

Of the grants currently available, a total of three support payments are targeted to support the resumption of businesses. Eligibility for these support payments is based in part on income and turnover requirements. For sole traders in particular, taxation data would assist in the assessment of the following eligibility criteria in the below co-funded grant schemes:

- Small Business Northern Rivers Flood Grant, to confirm that the business has:
 - Derived at least \$75,000 in GST turnover in either the 2020 or 2020 financial year;
 - Experienced a decline in turnover of 40 per cent during the month of March 2022 compared to either March 2021 or March 2021
- Disaster Recovery Small Business Grant, to confirm that the applicant derived the majority of their income from their business

Currently, a taxation data sharing arrangement is in place to assist Service NSW and Revenue NSW administer a range of other grants available in NSW, including the 2021 JobSaver grant. This data sharing arrangement is authorised by the Taxation Administration (Data Sharing Relevant COVID-19 Business Support Program) Declaration 2021 and the 3 September amendment made under the *Taxation Administration Act 1953* (Cth).

I am requesting a similar declaration is put into place for the Small Business Northern Rivers Flood Grant and the Disaster Recovery Small Business Grant. This will enable NSW to finalise eligibility assessments faster, particularly for individuals who have lost access to their business documentation and/or to the services of an accountant or tax agent who would normally provide copies of the required supporting documentation or otherwise verify a business' financial position.

Large Business Support Guidelines

Additionally, I would like to draw your attention to the Northern Rivers Large Business Support Package. As you would be aware, the Commonwealth has committed \$50 million to allow large businesses and major employers in key industries of the highly impacted LGAs access immediate financial assistance to recover and retain skilled jobs in their local communities. However, the Package is not currently available pending finalisation of the program guidelines by Regional NSW and the Commonwealth. The Commonwealth's assistance in finalising these guidelines as a matter of priority would be appreciated, to ensure support is able to flow to impacted business as soon as possible.

Thank you for your support. I look forward to working together to deliver for the people of NSW, particularly on the critical recovery of the highly impacted communities in the Northern Rivers.

Yours sincerely,

s 22(1)(a)(ii)

Dominic Perrottet MP
Premier

25/5/22