REVIEW OF MINISTERIAL COUNCILS

1 SUMMARY AND RECOMMENDATIONS

1.1 Summary

At the December 1992 meeting of the Council of Australian Governments, the Prime Minister, the Premiers and Chief Ministers commissioned a Review of the scope, distribution and number of Ministerial Councils.

For the purposes of this Review, a Ministerial Council is defined as a formal meeting of Ministers of the Crown, usually including the Commonwealth, the States and Territories of the Australian Federation, which meets on a regular basis for the purpose of intergovernmental consultation and co-operation, joint policy development and joint action between Governments.

Ministerial Councils may include representatives of the Australian Local Government Association and the Government of New Zealand (or other regional Governments) by invitation.

This definition of Ministerial Councils excludes from this Review consultative councils which have members other than Ministers. It also excludes existing Ministerial Councils representing only two, three or four jurisdictions. The Council of Australian Governments, the Financial Premiers' Conference and the Australian Loan Council, while meeting this definition of Ministerial Councils, were not considered in this Review.

Based on this definition, the Review identified 45 existing Ministerial Councils. These are listed in Appendix 1.

The terms of reference for the Review included an examination of the efficiency and effectiveness of Ministerial Councils, identification of areas of overlap, and an examination of the scope for amalgamation of Ministerial Councils, with a view to, if possible, halving their number.

The Review was conducted by a Working Party consisting of representatives of every jurisdiction in the Australian Federation. All Chairs and most members of Ministerial Councils were consulted in the process. Detailed information was supplied by the Secretariats of these Councils.

In general terms the Review concluded that Ministerial Councils are an effective way of achieving co-operation between the Governments and resolving many of the challenges of the Federal system of Government.

However, the Review concluded that the case for rationalising Ministerial Councils was justified. Three options for rationalisation and combination of Ministerial Councils have been developed for the consideration of the Heads of Government. The rationale for these options is outlined in Section 6 of this report.

A major issue associated with the growth in the number of Ministerial Councils is the expansion in the scope of committees and working parties attached to Ministerial Councils.

Following analysis of the information supplied to the Review, and consideration of the views of Ministers, several additional recommendations are proposed for improving the efficiency and effectiveness of Ministerial Councils.

Among these are recommendations which relate to operating procedures. These recommendations complement the Protocols for the Operation of Ministerial Councils adopted by the Council of Australian Governments in Perth in 1992. The Review takes the view that full implementation of the Protocols is essential to ensuring accountability of Ministerial Councils. Implementation of the recommendations below would facilitate their efficiency and effectiveness.

1.2 Recommendations Regarding the Number of Ministerial Councils

In examining the efficiency and effectiveness of Ministerial Councils, the Review was specifically asked to examine the scope for amalgamation of Ministerial Councils in related functional areas, including Councils with specific statutory responsibilities or roles under a formal intergovernmental agreement; with a view to reflecting as far as practicable the Commonwealth administrative structures and thereby, if possible, halving the number of Councils.

For the purposes of this Review, <u>Amalgamation</u> means that the component Councils would have both their functions and their identity transferred to a new Council. <u>Combination</u> means, in the interests of efficiency and effectiveness, a group of Ministers meet with a co-ordinated agenda, and share their resources. This latter mechanism does not require existing activities necessarily to continue in the broader forum, but it does allow councils which are required by statute or formal agreement to continue. Councils could retain a separate role and structure (usually for statutory purposes) within a broader functional council, or where appropriate, some activities could simply be abolished.

The range of circumstances of the various Ministerial Councils requires flexibility in the process of rationalising. Accordingly, this Review recommends that rationalisation generally proceed by the process of combination as described above.

The Review recommends that the Council of Australian Governments consider the following options prepared for the rationalisation of Ministerial Councils. See Section 6 for details and justification of the proposed rationalisations.

OPTION A

This option, which has been proposed by the Australian Capital Territory, would reduce the number of Ministerial Councils to eight through incorporation of the

responsibilities of all existing Councils under the following broadly scoped Ministerial Councils:

- 1 Social Justice Council (First Ministers)
- 2 Law and Justice Council
- 3 Economic and Regional Development Council
- 4 Employment, Education and Labour Council
- 5 Environment, Culture and Heritage Council
- 6 Primary Industry and Energy Council
- 7 Health Ministers' Council
- 8 Housing, Planning and Local Government Ministers' Council

All existing Ministerial Councils would be either abolished or combined under the broad policy umbrellas of these mega-Councils.

OPTION B

This option would reduce the number of Ministerial Councils which fall within the definition of this Review to 31. Given the broad base of support among Ministers for the separate retention of most Ministerial Councils, this option proposes that many existing activities be retained.

Under Option B the list of Ministerial Councils becomes:

- Agriculture and Resources Management Council of Australia and New Zealand (including the Agricultural Council of Australia and New Zealand, the Australian Soil Conservation Council and the Australian Water Resources Council)
- Australasian Police Ministers' Council (including the Intergovernmental Committee on the National Crime Authority)
- 3 Australian Aboriginal Affairs Council
- 4 Australian and New Zealand Environment and Conservation Council
- 5 Australian and New Zealand Fisheries and Aquaculture Council
- 6 Australian and New Zealand Mineral and Energy Council
- 7 Australian Education Council
- 8 Australian Forestry Council
- 9 Australian Health Ministers' Conference (including the National Food Standards Council)
- 10 Australian Industry and Technology Council
- Australian Transport Council (including the Australian Transport Advisory Council and the Ministerial Council on Road Transport)
- 12 Commonwealth/State Ministers' Conference on the Status of Women
- 13 Conference of Commonwealth and State Labour Ministers
- 14 Conference of Ministers for Immigration and Ethnic Affairs
- 15 Corrective Services Ministers' Conference

- 16 Council of Social Welfare Ministers
- 17 Cultural Ministers' Council
- Housing Ministers' Conference (including the Australian Housing Research Council)
- 19 Local Government Ministers' Conference
- Meeting of Commonwealth, State, Territory and New Zealand Ministers responsible for Small Business
- 21 Ministerial Council for Common Services Provision (including the Construction Industry Ministerial Council)
- 22 Ministerial Council on Drug Strategy
- 23 Ministerial Council on the Australian National Training Authority
- 24 Ministerial Council on Vocational Education, Employment and Training
- 25 Planning Ministers' Conference (including the Heritage Ministers' Meeting)
- 26 Rural Adjustment Scheme Ministers' Meeting
- 27 Sport and Recreation Ministers' Council (including the Racing and Gaming Ministers' Conferences)
- Standing Committee of Attorneys-General (including the Standing Committee of Censorship Ministers, the Ministerial Council for Corporations and the Ministerial Council on Financial Institutions)
- 29 Standing Committee of Consumer Affairs Ministers (including the Ministerial Council on Trade Measurement)
- 30 Tourism Ministers' Council
- 31 Youth Ministers' Council

OPTION C

This option reduces the number of Ministerial Councils, based on a range of factors including the arrangement of portfolios across all jurisdictions, common membership, overlap in subject matter, the need for broad policy consistency and an evaluation of effectiveness. This option reduces the number of Ministerial Councils by half.

The result of proposals in Option C would be the following list of Ministerial Councils:

- Agriculture and Resources Management Council of Australia and New Zealand (including the Agricultural Council of Australian and New Zealand, the Australian Soil Conservation Council and the Australian Water Resources Council and the Rural Adjustment Scheme Ministers' Meeting)
- Ministerial Council on the Administration of Justice (including the Australasian Police Ministers' Council, Corrective Services Ministers' Conference and Intergovernmental Committee on the National Crime Authority)
- 3 Australian Aboriginal Affairs Council
- 4 Australian and New Zealand Environment and Conservation Council
- 5 Australian and New Zealand Minerals and Energy Council

- 6 Australian Transport Council (including the Australian Transport Advisory Council and the Ministerial Council on Road Transport)
- 7 Commonwealth/State Ministers' Conference on the Status of Women
- 8 Conference of Commonwealth and State Labour Ministers
- 9 Conference of Ministers for Immigration and Ethnic Affairs
- 10 Cultural Ministers' Council
- Employment, Education and Training Ministerial Council (including the Australian Education Council, the Ministerial Council on Vocational Education, Employment and Training and the Youth Ministers' Council)
- Health and Community Services Ministerial Council (including the Australian Health Ministers' Conference, the Council of Social Welfare Ministers and the National Food Standards Council)
- Industry, Technology and Regional Development Council (including the Australian Industry and Technology Council, the Meeting of Commonwealth, State, Territory and New Zealand Ministers responsible for Small Business)
- 14 Ministerial Council on Drug Strategy
- 15 Ministerial Council on the Australian National Training Authority
- Ministerial Council on Forestry, Fisheries and Aquaculture (including the Australian Forestry Council and the Australian and New Zealand Fisheries and Aquaculture Council)
- Planning, Housing and Local Government Ministerial Council (including the Planning Ministers' Conference, the Housing Ministers' Conference, the Local Government Ministers' Conference, the Construction Industry Ministerial Council and the Heritage Ministers' Meeting)
- Ministerial Council of Attorneys-General (including the Standing Committee of Censorship Ministers, the Ministerial Council for Corporations and the Ministerial Council on Financial Institutions)
- Ministerial Council on Consumer Affairs (including the Ministerial Council on Trade Measurement)
- 20 Sport and Recreation Ministers' Council (including the Racing and Gaming Ministers' Conferences)
- 21 Tourism Ministers' Council

The Ministerial Council for Common Services Provision would no longer function.

1.3 <u>General Recommendations on Improving the Efficiency and Effectiveness of Ministerial Councils</u>

The Working Party recommends that:

- 1.3.1 COAG affirms that the role of Ministerial Councils is to facilitate consultation and co-operation between Governments, to develop policy jointly, and to take joint action in the resolution of issues which arise between Governments in the Australian Federation. (ref. Section 2.3)
- 1.3.2 COAG notes that Ministers carry the authority of their Governments, and those Ministers convened as a Ministerial Council may determine to finality all matters in their field of concern. (ref. Section 4.2)

The Working Party recommends that COAG endorses the following principles for the efficient and effective operation of Ministerial Councils:

- 1.4.1 Membership of Local Government and New Zealand (and/or other regional Governments) should not intrude on the central functions of the development and co-ordination of policy, problem solving and joint action by jurisdictions within the Federation. However, such membership may often be desirable to facilitate consultation and national policy development. (ref. Section 7.3.4)
- 1.4.2 Each Ministerial Council is encouraged to review regularly its objectives and performance, and to evaluate the implementation of its decisions. This would be assisted by procedures for tracking the implementation of decisions made and agreements struck between the Ministers. (ref. Section 5.7)
- 1.4.3 Each Ministerial Council should clarify its field of coverage and the powers it exercises, consistent with the brief that Ministers hold from their Governments. (ref. Section 5.7)
- 1.4.4 The locations of Ministerial Council meetings be restricted to the capital cities of Australia and to Alice Springs. (ref. Section 5.3)
- 1.4.5 All Ministerial Councils should review the structures of their committees and working parties to ensure that they are reduced in number to those which are essential, that those retained are clearly focussed, given a fixed time to achieve their objectives and that their terms of reference include a sunset clause, particularly when councils are combined or broadened in scope. (ref. Section 5.7)

- 1.4.6 Ministerial Councils should meet when needed. This would normally be annually. In all cases, when Ministerial Council meetings are scheduled, Ministers should check the agendas to ensure that a face-to-face meeting is necessary. Ministerial Councils should make full use of the technology available to increase the efficiency of their operations, including to reduce the need for face-to-face meetings. (ref. Sections 5.2, 5.6)
- 1.4.7 Councils should change the process for selecting agenda items to an emphasis on items of strategic national significance. Items of a procedural and technical nature should be delegated as far as possible to Standing Committees of officials to determine, or be dealt with by correspondence. (ref. Section 7.3.6)
- 1.4.8 COAG should arrange for a list of Ministerial Councils to be published and regularly updated, including for each Ministerial Council, details of its field of policy cover, roles and functions, operational objectives, membership, standing committees of officials, committees and working parties, secretariat arrangements and contact points. This publication should also include the Protocols for the Operation of Ministerial Councils. Individual jurisdictions should ensure that this publication receives wide circulation among their agencies. (ref. Section 7.3.2)
- 1.4.9 A Ministerial Council should only be formed with the endorsement of the constituent Governments. To achieve consistency of nomenclature, it is desirable that, as far as possible, continuing, multilateral meetings of Ministers from the various jurisdictions of the Australian Federation should be called Ministerial Councils. Groups of senior officials which support Ministerial Councils should be called Standing Committees. (ref. Section 7.3.1)
- 1.4.10 In cases where the field of policy covered by a Ministerial Council covers more than one portfolio in any particular jurisdiction, it is a matter for each jurisdiction to determine a Minister or Ministers to attend and to arrange appropriate liaison. (ref Section 4.1)
- 1.4.11 Each Council may wish to review the arrangements for chairing with a view to considering the option of rotating the chair. Ministerial Councils may wish to examine their secretariat services along with chairing arrangements, in the light of options available, to ensure they have the arrangement which is the most effective for that council. (ref. Sections 5.4, 5.5)
- 1.4.12 All councils should formalise their procedures so that they are consistent with the Protocols for the Operation of Ministerial Councils. (ref. Section 5.7)
- 1.4.13 Subject to the applicability of the relevant Commonwealth, State or Territory Freedom of Information legislation, unless all members of Council agree, any discussion by, or document of the Council, or any committee, sub-committee, working party officer or agent of the Council shall be confidential.

Review of Ministerial Councils

Report to the Council of Australian Governments

Allan Hawke

9 March 2010

9 March 2010

The Hon Kevin Rudd MP Prime Minister Parliament House CANBERRA ACT 2600

Dear Prime Minister,

I am pleased to present to you, in your capacity as Chair of the Council of Australian Governments (COAG), the Report on the COAG Review of Ministerial Councils.

As you know, in April 2009 COAG commissioned a Review of its Ministerial Councils. This Report makes recommendations to COAG on options for rationalising Ministerial Councils, with particular regard to:

- the responsiveness and accountability of Ministerial Councils to COAG, including the administrative efficiency and transparency of their operations;
- measures to improve the efficiency and effectiveness of Ministerial Council arrangements;
- the benefits of streamlining some Ministerial Councils to align directly with National Agreements; and
- the benefits of streamlining remaining Ministerial Councils on the basis of strategic integration of issues outside those covered under the National Agreements, and to support efficient and effective decision making.

COAG has rationalised the number of Councils in the past, but they keep growing back and now there are 40 Councils and other fora. In spite of some successes, Ministerial Councils are not serving the nation as well as they might. They have been criticised for slow decision-making, inadequate consultation with stakeholders and a lack of strategic consideration of issues.

During the course of the Review, it became apparent that consideration of COAG's role and relationship to Ministerial Councils provided an important backdrop to the conclusions of the Review. As such, this Report makes recommendations to strengthen COAG, Ministerial Councils and their secretariats.

To strengthen COAG, the Report recommends that COAG move beyond its initial reform program to:

- o focus its meetings and work on items of national strategic significance;
- o better communicate its achievements to the Australian people;
- o build consensus with stakeholders;
- o monitor cohesion across the COAG Reform Agenda; and
- o adopt a range of measures to ensure implementation of its reforms.

To strengthen Ministerial Councils, the Report provides COAG with three options for their rationalisation:

- o to abolish Ministerial Councils altogether in order to adopt an entirely reform-based system; or
- o to recognise that Councils are a cost of democracy and simply reduce their current number; or
- to establish seven Standing Councils focused on key policy and service delivery areas underpinning the Federation and additional Select Councils to address critical, time-limited reform tasks.

To strengthen Councils' secretariats, the Report provides COAG with two options:

- to establish a single, independent secretariat for all Ministerial Councils to bolster Councils' strategic capacity and implementation and monitoring of reforms; or
- to continue the status quo of Council-specific secretariats but with improved best practice guidelines.

The Report and its recommendations are based upon extensive input from a wide range of stakeholders. Thirty-nine Councils completed written questionnaires regarding their agenda and operations. This feedback and additional research informed over 100 face-to-face or telephone consultations with stakeholders, including Premiers and Chief Ministers, Ministerial Council Chairs and secretariat staff, senior Commonwealth and State and Territory officials, academics, industry leaders and others.

The Report is divided into two parts.

 Part I provides an overview of the Review's findings, including its recommendations for reform of Ministerial Councils and their secretariats, and COAG itself.

• Part II provides a more detailed analysis of the Ministerial Council system. This analysis is based upon the input of stakeholders and research, and forms the basis for the recommendations in Part I.

I trust that the Report will assist COAG as it considers how the Ministerial Council system can best support COAG's important work in driving a co-operative approach to critical national issues.

Yours sincerely,

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Allan Hawke

COAG Ministerial Councils Reviewer

9 March 2010

Acknowledgements

I recognise the contribution made to this Review by the Ministerial Council Chairs, secretariats and Council members who provided responses to the Review questionnaire and who made the time to participate in consultation meetings and conversations.

I have also valued the input of current and former First Ministers, current and former portfolio Secretaries, senior officials and a range of others who have been generous with their time and shared their experience of Ministerial Councils and the COAG reform process over a considerable period.

The dedication, professionalism and commitment of Ms Elizabeth Wilde, who headed up the secretariat for this Review, are very much appreciated. I also thank her colleagues for their contribution – Julia de Raadt, Sally-Ann Thomas, Danijela Rickman, Lee Martin, Andrew Garrett and Erik Davityan.

Any errors, omissions or oversights are my responsibility.

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Part I

REVIEW OF MINISTERIAL COUNCILS

Introduction

- 1. The Council of Australian Governments (COAG) is Australia's peak Ministerial Council (MinCo), comprising as it does the Prime Minister, Premiers from the States and Chief Ministers from the Territories and the President of the Australian Local Government Association (ALGA).
- 2. During the Review's consultations, comments directed at COAG provided an important backdrop to our considerations and conclusions.
- 3. It is therefore necessary to traverse some of this ground as a scene-setter for addressing our Terms of Reference and as a basis for MinCos to draw lessons and practices from it in their work.¹
- 4. The report is structured in two parts:
 - Part I provides an overview of the findings of the Review, including options for reform of MinCos, the supporting secretariat structure and the relationship between MinCos and COAG; and
 - Part II presents background and context for Part I. It draws on evidence
 provided in consultations with First Ministers, Councils and other stakeholders
 and from detailed research. Part II forms the basis for the reform options
 articulated in Part I.

Co-operative Federalism

5. Prime Minister Rudd came to office with a determination to end the blame game and buck passing through a commitment to using the federal compact on a cooperative basis to deliver national outcomes that are politically sustainable well beyond a change in the political complexion of governments of the day. His speech to the Don Dunstan Foundation on 14 July 2005 sets out 'The case for cooperative federalism'.²

¹ The Review's Terms of Reference are at Appendix 1.

² Rudd MP, Prime Minister the Hon Kevin, 'The case for co-operative federalism', address to the Don Dunstan Foundation, 15 July 2005, Don Dunstan Foundation, Adelaide, viewed 23 February 2010, <http://www.dunstan.org.au/docs/k rudd qld 2005 speech.doc. See also Rudd MP, Prime Minister the Hon Kevin, 'Quality education: making the case for an education revolution in our schools', address

- 6. There can be no doubt that First Ministers play a much more pre-eminent role than they did 18 years ago when COAG was established.
- 7. As the clearing house for the nation's policy reform agenda, COAG's role is '... to initiate, develop and monitor the implementation of policy reforms that are of national significance and which require cooperative action by Australian governments'. ³
- 8. COAG's reform agenda is productivity driven but with the added social objectives of '...better services for the community, social inclusion, closing the gap on Indigenous disadvantage and environmental sustainability.'4
- 9. The national interest transcends the Commonwealth interest and the combined interests of the States and Territories and local government.⁵ COAG is the best-placed body to explore and identify the national interest and for collaboration on strategic directions.
- 10. Moreover, it is incumbent on governments at all levels through COAG to serve the national interest, and not merely their own sectional interests at the national level.⁶
- 11. The Federal Opposition Leader sees the problem with COAG as '... its processes have no authority of their own and its decisions are not binding'. The States '... will pay lip-service to national goals and gladly accept large amounts of Commonwealth funding in order to achieve them while continuing to pursue their

to the National Press Club, 27 August 2008, Department of the Prime Minister and Cabinet, Canberra, viewed 23 February 2010, http://pm.gov.au/node/5622>.

³ Council of Australian Governments, 'About COAG', updated 18 February 2010, Council of Australian Governments, Canberra, viewed 23 February 2010, http://www.coag.gov.au/about_coag/index.cfm.

⁴ McClintock AO, Paul, 'Rolling out COAG's reform agenda: upcoming milestones', addresses to the Committee for Economic Development of Australia, 1 and 21 September 2009, Committee for Economic Development of Australia, Melbourne, viewed 23 February 2010, http://www.coag.gov.au/crc/docs/CEDA speech 010909.pdf>.

⁵ Wanna, Professor John, remarks at the Australia and New Zealand School of Government 2008 Annual Conference, 12 September 2008, Australia and New Zealand School of Government, Carlton, viewed 23 February 2010, <http://www.anzsog.edu.au/content.asp?pageld=148. Professor Wanna noted that the national interest differs from the combined interests of the jurisdictions.

⁶ See for example Deegan, Michael, 'A new era for co-operative federalism', address to Freight Week 2007, 18 September 2007, National Transport Commission, Melbourne, viewed 23 February 2010, http://www.ntc.gov.au/filemedia/aboutus/freightweeksept2007mdeeganspeech.pdf. Mr Deegan made an important distinction between Ministers genuinely contributing to national reform and their simply representing state interests at a national level.

⁷ Abbott MP, the Hon Tony, *Battlelines*, Melbourne University Press, Melbourne, 2009, p. 126.

- own political objectives'. He added that '...the pursuit of national reforms becomes a frustrating political merry-go-round, always needing just one more meeting or just another funding agreement to finalise'. 9
- 12. Mr Abbott sets out an alternative approach in his book *Battlelines* and his address to the National Press Club on 30 July 2009. In essence, Mr Abbott proposes an amendment to Section 51 of the Constitution in order that the Commonwealth can force the hand of the States where it deems it would be in the national interest to do so. The belief is that such a power would not be used very often, because the States would be less contrary.
- 13. As would be evident from the Community Cabinet and 2020 Summit consultations, State Governments often have legislative responsibility for issues that can only be solved with the assistance or involvement of the Commonwealth and its financial backing. It is crystal clear that citizens expect the Commonwealth to be involved in solving these problems. 10, 11
- 14. Much of the COAG Reform Agenda is devoted to that end, but the fundamental question of future Federal/State relations may require further consideration by COAG.
- 15. The Business Council of Australia (BCA) supports constitutional change to affect more transparent and accountable relationships between different levels of government, arguing that the COAG reform process is bogged down by a long list of controversial agenda items.¹²
- 16. It believes that the COAG process is becoming overloaded, burdened with an overly complex supporting bureaucracy that will slow the pace of reform, lose

⁸ ibid., pp. 120-21.

⁹ ibid., p. 121.

¹⁰ In Community Cabinet consultations, Australian communities have repeatedly suggested that the Federal government should take a greater role in State service delivery areas such as health, education, and family and community services.

¹¹ There are strong community expectations that effective intergovernmental collaboration and good governance structures will support a strong economy, society and environment. Where this doesn't work, many question whether the Federal Government should take some responsibility. See for example Department of the Prime Minister and Cabinet, *Australia 2020 Summit: Final Report*, May 2008, Department of the Prime Minister and Cabinet, Canberra 2010.

http://www.australia2020.gov.au/docs/final report/2020 summit report full.pdf, pp. 14 (regarding education), 25, 30 & 40 (economy), 93 (agricultural production and resource management), 132 (health), 228 (Indigenous business), 308 (governance), 377 & 399 (Asia-Pacific markets).

¹² Eyers, James, 'Labor eyes referendum on republic', *Australian Financial Review*, 20 January 2010, p. 1, viewed 2 March 2010.

http://www.mediaportal.com/app/temp/532gt5551xscz255ljdhpsbw/63350480.pdf>.

focus on the most beneficial reform priorities and result in outcomes that lack transparency and accountability. ¹³

COAG Achievements, Co-ordination and Monitoring

- 17. With the intention of turning COAG into the 'workhorse of the nation', COAG met five times in the year between December 2007 and November 2008 and four times in 2009. Four meetings per year were thought to be about right, leaving enough time in between for the States and Territories to complete their internal coordination processes.
- 18. It is clear that the significance of COAG, its achievements and its ambitious and complex work program are not recognised or appreciated in the wider community. Indeed, even the aficionados commented on how difficult it was to track what was going on under the COAG umbrella. ¹⁵
- 19. Consideration might therefore be given to how to remedy this. At a minimum the COAG website needs fundamental redesign and dedicated resources to get it up to speed as a portal for communication. ¹⁶
- 20. Communication of COAG objectives, outcomes and progress in non-bureaucratic language is essential. Greater appreciation by the community, industry and business of COAG achievements and what those achievements mean for them will improve accountability and counter the 'it's all talk and no action' notion that is gaining currency in the media.
- 21. Part I of this Report may serve as one vehicle to address that perception.

¹³ Lahey, Katie and Crone, Peter, Business Council of Australia, consultation with the author, 25 January 2010.

¹⁴ Department of the Prime Minister and Cabinet, 'Transcript of joint press conference with Premiers ... and Chief Ministers ... following the Council of Australian Governments' Meeting, Government House, Melbourne', 20 December 2007, Department of the Prime Minister and Cabinet, Canberra, viewed 24 February 2010, http://www.pm.gov.au/node/6000>.

¹⁵ See for example Saunders, Cheryl, 'The constitutional, legal and institutional foundation of Australian federalism', in Carling, Robert, (ed), *Where to for Australian Federalism?* Centre for Independent Studies, Sydney, 2008, p. 21.

¹⁶ See for example Government 2.0 Taskforce, *Engage: Getting on with Government 2.0*, 22 December 2009, Department of Finance and Deregulation, Canberra, viewed 3 March 2010, <http://www.finance.gov.au/publications/gov20taskforcereport/doc/Government20TaskforceReport.pd http://www.finance.gov.au/publications/gov20taskforcereport/doc/Government20TaskforceReport.pd http://www.finance.gov.au/publications/gov20taskforcereport/doc/Government20TaskforceReport.pd

- 22. Establishment of a Strategic Communications Unit in the Department of the Prime Minister and Cabinet to assist in getting COAG's message out to the community requires further consideration.
- 23. COAG's decision to review the status of all its decisions since its December 2007 meeting on a twice yearly basis will assist a continuing focus on implementation.¹⁷
- 24. This effectively operationalises the full suite of COAG monitoring and reporting arrangements:
 - the COAG Reform Council's (CRC) annual reporting of outputs and outcomes for all National Agreements has commenced; the initial reports establishing baselines will be followed by subsequent reporting of State and Territory performance against these baselines;
 - the States and Territories have commenced reporting to Commonwealth line agencies on performance against agreed milestones, inputs, outputs and outcomes for various projects, facilitation and reward payments under National Partnerships; and
 - additional reporting is occurring through:-
 - the Ministerial Council for Federal Financial Relations on the operation of the Intergovernmental Agreement,
 - the Coordinator-General for the Nation Building and Economic Stimulus Plan, and
 - o the Indigenous Coordinator-General on remote Indigenous initiatives.

The COAG Agenda

- 25. Nevertheless, former and current First Ministers wondered whether COAG's reform agenda might now be becoming overloaded and are concerned about the risk that significant reforms won't be achieved.
- 26. While in the past there has been some criticism that as head of COAG, the Prime Minister decides when meetings will take place and what will be discussed, First Ministers felt that arrangements for consultation between the Commonwealth and

¹⁷ Council of Australian Governments, meeting communiqué, 7 December 2009, Council of Australian Governments, Canberra, viewed 23 February 2010, http://www.coag.gov.au/coag meeting outcomes/2009-12-07/docs/20091207 communique.pdf.

- the States about COAG's agenda have been satisfactory to date. ¹⁸ Indeed, the smaller jurisdictions feel that they now have a platform (at COAG and COAG Senior Officials (SOM) level) to have their voice heard.
- Care will need to be taken to build consensus on the next wave of reforms to ensure buy-in such that:
 - the reforms are as relevant to the States/Territories as the Commonwealth;
 - there is genuine commitment to the agenda; and
 - First Ministers are prepared to use COAG as the vehicle for driving their reform agenda and cooperative federalism.¹⁹
- As part of the consensus building, it might also be worthwhile to seek the written 28. views of peak stakeholder groups which could be submitted through the COAG Senior Officials Meeting and presented to COAG as an input for consideration.
- 29. The BCA, for example, is concerned about successful implementation of a comprehensive national reform agenda through COAG and that reforms to boost national productivity and create the seamless national economy are implemented as quickly as possible.
- The current approach to the COAG meeting agenda could be codified by 30. 'starring' items for discussion, those that are not being recorded as having been agreed by COAG in accordance with the recommendations. At the start of each meeting, First Ministers would have the opportunity to ask that any non-starred items be discussed if they wished to do so. The pre-meetings of members of the Council for the Australian Federation (CAF) and State/Territory First Ministers could assist this endeavour.
- 31. The intention is to free up the agenda, so that each meeting devotes more time to an item of national strategic significance, as with recent practice.

¹⁸ See for example Botterill, Linda, 'Managing intergovernmental relations: COAG and the ministerial councils', 2005, Democratic Audit, Canberra, viewed 23 February 2010,

http://arts.anu.edu.au/democraticaudit/papers/200510 botterill coag.pdf >.

¹⁹ Anderson, Geoff, 'The Council of Australian Governments: a new institution of governance for Australia's conditional federalism', University of New South Wales Law Journal, vol. 31, no. 2 (2008), pp. 493-508.

- 32. The next COAG might therefore consider the Review of Australia's Future Tax System and the associated third Intergenerational Report, *Australia to 2050: Future Challenges*, as a basis for setting the next wave of strategic national priorities and enhancing Australia's international competitiveness. ^{20, 21}
- 33. It was suggested that COAG discussion of such items might benefit from time to time by having relevant Ministers in attendance at the table in the same way as Treasurers now participate. This could strengthen the approach to implementation of COAG's decisions by Ministers. It helps to avoid capture by particular Ministers' constituencies and avoids problems such as, 'If I had been there, there's no way I would have agreed to that', which can flow into dysfunctional behaviour.
- 34. Where this approach was adopted, COAG would consult with the Ministers at the table how best to go about implementation. It could decide to progress whatever the issue was through a Standing MinCo arrangement or set up a Select MinCo to oversee achievement of the intended outcome, which would include a sunset clause, progress reports back to COAG and arrangements for servicing by officials.
- 35. Water, climate change, health, ageing and productivity might be candidates for such an approach.

COAG Working Groups

- 36. One insight into perceptions of MinCos can be found in the 20 December 2007 COAG Communiqué (the first COAG chaired by Prime Minster Rudd) which established terms of reference for seven COAG Working Groups:
 - business regulation and competition;
 - climate change and water;
 - health and ageing;
 - housing;
 - Indigenous reform;
 - infrastructure; and

²⁰ Henry AC, Dr Ken et al, 'Australia's future tax system', The Treasury, Canberra, viewed 23 February 2010, http://taxreview.treasury.gov.au/Content/Content.aspx?doc=html/home.htm.

²¹ The Treasury, *Australia to 2050: Future Challenges*, The Treasury, Canberra, viewed 23 February 2010, http://www.treasury.gov.au/igr/igr2010/report/pdf/IGR 2010.pdf>.

- productivity (including education, skills, training and early childhood). 22
- 37. In a break with previous practice, these Working Groups were overseen by a Commonwealth Minister with senior officials from all jurisdictions.
- 38. Two other key planks of the COAG Reform Agenda can be grouped under the:
 - Reform Framework; and
 - National Security and Community Safety.
- 39. The governance model of officials from the States and Territories working to a Commonwealth Minister to achieve COAG's goals was unprecedented. It led other Ministers to claim they had been disenfranchised or disempowered and that their role had been usurped.
- 40. Most of the Working Groups have, however, completed their tasks and been disbanded by COAG, the further work required being transitioned to the appropriate MinCo or appropriate senior officials group. ²³
- 41. Three groups are yet to finalise their work:
 - the Infrastructure Working Group has a program of work that will run until mid 2010. In line with COAG's previous decisions on Working Groups, this group could be disbanded at this time;
 - the Indigenous Reform Working Group has been tasked to report to COAG by mid-2010 on food security in remote Indigenous communities. By all accounts, this Working Group has been an effective forum for progressing work on Indigenous issues while noting that its continuing success will depend on maintaining the current senior level involvement of officials from the Commonwealth, States and Territories. It should continue, but the chairmanship should revert to a senior official such as the Secretary of the Commonwealth Department of Families, Housing, Community Services and Indigenous Affairs; and

²² Council of Australian Governments, meeting communiqué, 20 December 2007, Council of Australian Governments, Canberra, viewed 23 February

^{2010,&}lt;http://www.coag.gov.au/coag_meeting_outcomes/2007-12-20/cooag20071220.pdf>.

²³ Council of Australian Governments, meeting communiqué, 30 April 2009, Council of Australian Governments, Canberra, viewed 23 February 2010.

http://www.coag.gov.au/coag_meeting_outcomes/2009-04-30/docs/20090430_communique.pdf; Council of Australian Governments, meeting communiqué, 2 July 2009, Council of Australian Governments, Canberra, viewed 23 February 2010,

http://www.coag.gov.au/coag_meeting_outcomes/2009-07-02/docs/20090702_communique.pdf>.

the Business Regulation and Competition Working Group (BRCWG) which continues to progress a substantial body of important work. The BRCWG has been a particularly effective mechanism for driving a range of business regulation and competition reforms under the National Partnership Agreement to Deliver a Seamless National Economy – often successfully through MinCos but sometimes only with the threat of central agency take-over. There is support from government and non-government stakeholders for continuation of this Working Group which should provide the means for a greater focus on achieving the eight competition reforms. ²⁴ ²⁵

42. In 2012, COAG should consider whether to continue the BRCWG as a vehicle for driving regulatory reform. Both the Organisation for Economic Co-operation and Development (OECD) and Productivity Commission identify a need for a body to fulfil this role into the future.²⁶

MinCos, Working Groups, Taskforces etc

- As the 'workhorse of the nation' COAG will rely on others to achieve its 43. high-level objectives, as it appropriately adopts a steering not rowing approach.
- 44. COAG has often chosen to establish mechanisms apart from MinCos to progress work.
- 45. The 2008 Working Groups are a case in point. While COAG has recognised that the governance arrangements for the 2008 Working Groups were not sustainable, it has continued to establish new groups to address emerging complex issues.
- For example, in 2009 COAG established a new grouping of Ministers to address Violence against Women as well as the officials-led Health Reform and Vocational Education and Training Working Groups and the National Emergency Management Committee.
- From time to time COAG will continue to require task-specific, time-limited groups to progress high priority issues.

²⁴ Lahey, Katie and Crone, Peter, op. cit.

²⁵The eight competition reforms under the National Partnership Agreement to Deliver a Seamless National Economy are: review of anti-dumping and countervailing system; review of parallel importation of books; rationalisation of occupational licences; further national transport policy reform; further reforms to infrastructure access, and previously agreed reforms in energy, transport and infrastructure.

²⁶ Organisation for Economic Co-operation and Development, OECD Reviews of Regulatory Reform – Australia: Towards a Seamless National Economy, Organisation for Economic Co-operation and Development, Paris, 2010.

- 48. The centrepiece of the COAG Reform Agenda is the new framework for federal financial relations. The Intergovernmental Agreement (IGA) on Federal Financial Relations aims to promote collaboration on policy development and service delivery and to facilitate implementation of economic and social reforms in areas of national importance.²⁷
- 49. This IGA provides a new basis for financial relations 96 Specific Purpose Payments reduced to six, saving the States from much micro-management.²⁸
- 50. It includes a new basis for accountability agreed objectives, strategic outcomes, outputs and measures to guide these new streams of money and free the States to innovate in health, schools, vocational education and training, housing, Indigenous matters and other areas.²⁹
- 51. It includes more than \$15 billion extra for the States.³⁰
- 52. And it includes a new independent umpire the CRC to assess performance of governments against COAG's reform agenda goals.³¹
- 53. 'This framework represents one of the most significant reforms delivered since the election of the current Federal Government, albeit very few commentators have noticed!' 32
- 54. 'The IGA flows through to six National Agreements, various National Partnership Agreements and, in the case of water, the Agreement on Murray-Darling Basin Reform. It is important to recognise that 2009 was the first year of implementation for the new COAG agreements and, given the ground-breaking nature of many of the agreements, there will be a necessary period of transition and adjustment. We are building a systematic change, which will take some years to roll out'. 33

²⁷ Council of Australian Governments, *Intergovernmental Agreement on Federal Financial Relations*, updated July 2009, Council of Australian Governments, Canberra, viewed 24 February 2010, <http://www.coag.gov.au/intergov agreements/federal financial relations/index.cfm; McClintock, Paul, op. cit..

Moran AO, Terry, 'Don Dunstan oration', address to the Institute of Public Administration Australia, 6 November 2009, Department of the Prime Minister and Cabinet, Canberra, viewed 23 February 2010, http://www.dpmc.gov.au/media/speech 2009 11 05.cfm>.

²⁹ ibid.

³⁰ ibid.

³¹ ibid.

³² McClintock, Paul, op. cit.

³³ ibid.

55. The COAG Reform Council reports on all of them as illustrated schematically in Figure 1, below.

National Agreements ³		National Partnerships*	Reward Payment	Implementation Plans
Intergovernmental Agreement on Federal Financial Relations				
National Healthcare Agreement		National Partnership on Hospital and Health Workforce Reform		ACT, NSW, NT, Qld, SA, Tas, Vic, WA
		National Partnership on Preventative Health	✓	
	_	National Partnership on Essential Vaccines	✓	
National Education Agreement		National Partnership on Improving Teacher Quality	✓	
		National Partnership on Literacy and Numeracy	✓	
		National Partnership on Low Socio-Economic Status School Communities	✓	
		National Partnership on Early Childhood Education		
		National Partnership on Youth Attainment and Transitions	✓	
National Agreement for Skills & Workforce Development		National Partnership on Productivity Places Program		NSW, NT, Qld, SA, Tas, WA
National Disability Agreement		-		
National Affordable Housing Agreement		National Partnership on Social Housing		ACT, NSW, NT, Qld, SA, Tas, Vic, WA
		National Partnership on Homelessness		
National Indigenous Reform Agreement		National Partnership on Closing the Gap in Indigenous Health Outcomes		
		National Partnership on Remote Indigenous Housing		
		National Partnership on Indigenous Economic Participation		
		National Partnership on Remote Service Delivery		
		National Partnership on Indigenous Early Childhood Development		
-		National Partnership to Deliver a Seamless National Economy	✓	multilateral
Agreement on Murray-Darling Basin Reform		Water Management Partnerships ⁵		NA

³ National Agreements and National Partnerships are listed at the website of COAG at

*National Agreements and national Partnerships are listed at the website of COAG at http://www.coag.gov.au/intergov_agreements/federal financial relations/index.cfm. Implementation Plans are listed at the website of the Ministerial Council on Federal Financial Relations at http://www.federalfinancialrelations.gov.au/content/national_partnership_agreements/default.aspx.

4 This list includes only those NPs with reward payments attached (as indicated) or that the council currently considers material to the objectives of relevant NAs. NPs

material to both the Education and Skills & Workforce Development NAs.

Mater Management Partnerships will take the form of bilateral agreements between the Commonwealth and basin States. None have been signed to date.

Figure 1: Intergovernmental Agreements referred to the COAG Reform Council (CRC) by COAG³⁴

- 56. A large number of initiatives are being progressed under the auspices of COAG. As at the beginning of December 2009, around 80 separate initiatives were being pursued as shown in Figure 2, on the following page.
- 57. While significant progress is being made, COAG noted sustained, collaborative effort would continue to be required by all jurisdictions to progress and monitor agreed reforms and initiatives.
- 58. To maintain momentum and ensure achievement of outcomes, COAG agreed that the Ministerial Council for Federal Financial Relations should oversee a review of National Agreements, National Partnerships and Implementation Plans. ³⁵

⁴ This list includes only those NPs with reward payments attached (as indicated) or that the council currently considers material to the objectives of relevant NAs. NPs related to the National Indigenous Reform Agreement may also be material to other National Agreements. Similarly, the NP on Youth Attainment and Transitions is material to both the Education and Skills & Workforce Development NAs.

³⁴ COAG Reform Council, 'COAG Reform Council to release first reports on National Agreements', media release, 2 November 2009, COAG Reform Council, Sydney, viewed 2 March 2010, http://www.coag.gov.au/crc/docs/media release 20091102.pdf>.

³⁵ Council of Australian Governments, meeting communiqué, 7 December 2009, op. cit.

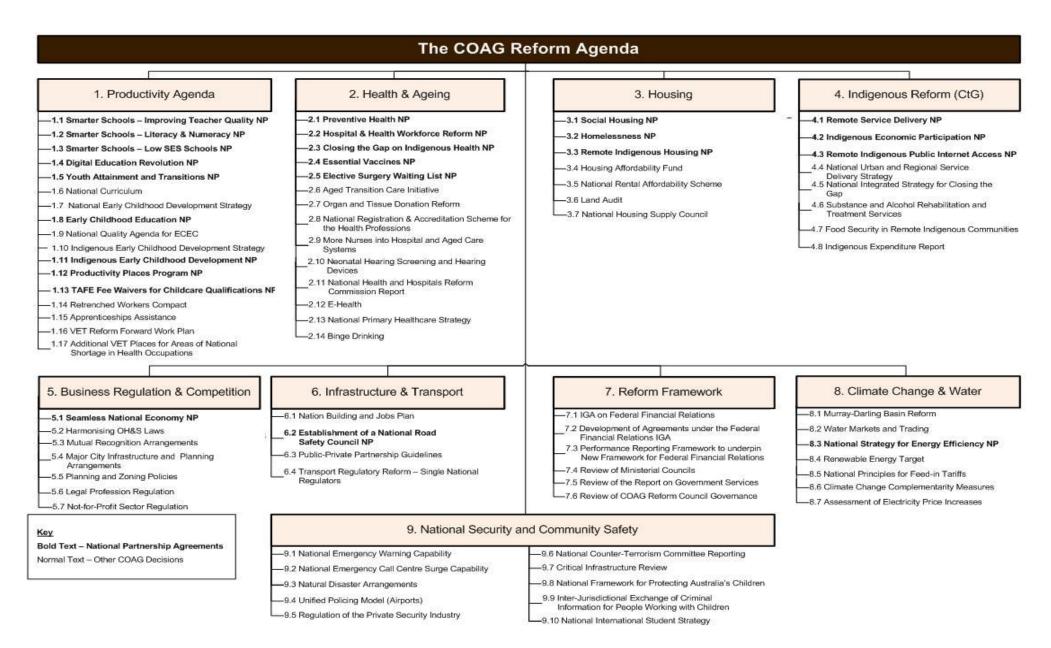


Figure 2: The COAG Reform Agenda as discussed by COAG Senior Officials November 2009

- 59. '... the lead up to the COAG Reform Agenda was long and painful but its achievement was something that the States and Territories had campaigned for'. Having agreed to these reforms with the Commonwealth, it is time for the States to produce good strategic policy... If this does not happen then the future direction of the Federation will change. States and Territories will find a more insistent and less amenable Commonwealth, as a bold experiment is put aside. Fortunately, some States are grabbing this opportunity'. 37
- 60. The foundations having been laid, there may be a need for guidance on what a good Implementation Plan looks like and how to operationalise parts of the COAG Reform Agenda. The federal financial framework review will help this. A more insidious challenge arises in getting sign-on, ownership and agreed national targets in some areas. This may include some clarification of the Commonwealth's role and how this should be discharged.
- 61. As Katie Lahey, Chief Executive Officer of the BCA, has observed, '...COAG is the vehicle for micro-economic reform and a lot of the work on the COAG agenda isn't a photo opportunity for politicians. It's a hard slog of regulatory reform and we want to see an emphasis on that'.³⁸

COAG Reform Council

- 62. The CRC, established in April 2007, will be a key driver of the National Reform Agenda. Through independent evidence-based monitoring, assessment and performance reporting, it has the potential to drive learning, innovation and improved decision-making across all governments.
- 63. However, the extent of the CRC's power to drive reform will be dependent on the extent to which business and the community sectors become interested in its reports. Politicians and officials will then understand that openness and accountability will lead to consequences for not delivering.³⁹
- 64. It will also depend on the CRC maintaining credibility which is significantly influenced by its level of perceived independence. Current website and email

³⁶ Moran AO, Terry, op. cit.

³⁷ Ibid.

³⁸ Hepworth, Annabel and Gray, Joanne, 'Crisis over, time to get back to reform', *Australian Financial Review*, 11 February 2010, p. 60, viewed 23 February 2010,

http://www.mediaportal.com/app/temp/ttv2siu2jbrbot45jm0jfb45/64540364.pdf.

³⁹ McClintock, Paul, op. cit.

- arrangements give the incorrect impression that the CRC is merely an administrative unit within PM&C. Immediate steps should be taken to remedy this and bolster the CRC's reputation as an independent umpire.
- 65. The Chair of the CRC, Paul McClintock AO, identifies the opportunity for cultural change at all levels of service delivery. Ministerial Councils can play an important role in delivering the necessary cultural changes.
- 66. Still, the 2008 Reform Agreements (set out in Figure 3 below) seem to be in essence an article of faith.

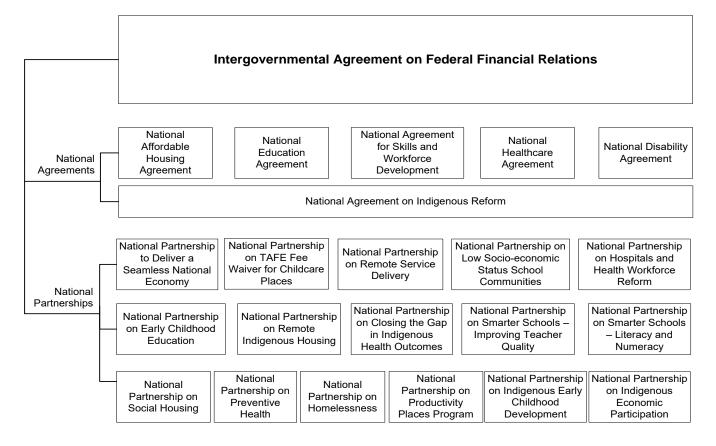


Figure 3: The Intergovernmental Agreement on Federal Financial Relations

- 67. Accountability to respective Parliaments may not be enough.
- 68. While seven National Partnership Agreements include reward payments for good performance, they include little financial leverage to ensure achievement. 40

⁴⁰ Analysis by the Department of Prime Minister and Cabinet suggests that reward payment expenditure is approximately eight per cent of the total funding (excludes Commonwealth own-purpose expense and State own-purpose expense) provided through National Partnerships.

- 69. The success of the National Competition Policy reforms evidence the important role that financial incentives play as a necessary element of cooperative federalism.
- 70. The National Competition Council claimed that competition reform would have been far slower and less comprehensive without competition payments. While the payments may not be large relative to State and Territory budgets, they did represent a significant source of incremental funds.⁴¹
- 71. Future iterations or new elements of the COAG Reform Agenda could be improved through the inclusion of more strategic use of financial performance incentives, and this should be considered as part of the review being undertaken of National Agreements, National Partnership Agreements and Implementation Plans.
- 72. There are mechanisms in place under the IGA on Federal Financial Relations to strengthen implementation. The thinking was that greater use of bilateral provisions can bring together jurisdictions with an appetite for reform and leave the others behind perhaps making them more inclined to jump on board. Evidence shows that this doesn't work and that it undermines reforms and the national interest. So in these circumstances, better use of reform funding will still be the most effective tool available.

Cohesion

- 73. It will be important for COAG to keep an eye on cohesion.
- 74. For example, Infrastructure Australia's December 2008 report to COAG outlined urgent action required to boost Australia's productivity, protect the environment and enhance Australians' quality of life. Even priorities were identified as a framework for action to meet the gaps, deficiencies and bottlenecks in the national infrastructure as follows:
 - a national broadband network to deliver a more extensive, globally competitive broadband system;

⁴¹ Productivity Commission, *Review of National Competition Policy Reforms*, report no. 33, 28 February 2005, page 30, Productivity Commission, Canberra, viewed 23 February 2010, http://www.pc.gov.au/ data/assets/pdf file/0016/46033/ncp.pdf>.

⁴²Infrastructure Australia, *A Report to the Council of Australian Governments*, December 2008, Infrastructure Australia, Canberra, viewed 23 February 2010,

http://www.infrastructureaustralia.gov.au/files/A Report to the Council of Australian Government s.pdf>.

- creation of a true national energy market;
- competitive international gateways through more effective ports and associated land transport systems for imports and exports;
- a national rail freight network to facilitate the movement of more freight by rail;
- transforming our cities through better use of transport infrastructure and increased public transport capacity;
- providing essential infrastructure and improved services for indigenous communities; and
- more adaptable and resilient water systems to cope with climate change.
- 75. The potential for overlap and duplication of effort across the COAG reform program and agencies involved in executing the agenda is obvious.

Ministerial Councils

- 76. Ministerial Councils were reviewed relatively recently as follows:
 - June 1993, Councils rationalised from 45 to 21; and
 - June 2001, Councils rationalised from 31 to 25.
- 77. Further related work occurred in June 2004 and March 2008, but MinCos have grown again and we can now identify 40 such bodies (the Councils currently included in the *Commonwealth-State Ministerial Councils Compendium* are listed with some of their characteristics in Figure 10 on page 68). 43
- 78. Notwithstanding attempts to clean out the Augean stables, there is an almost ineluctable trend for recidivism. No attempt to drive the stake through the heart of this vampire has succeeded.
- 79. The findings of the above reviews are, however, just as relevant today to our task, reflecting déjà vu all over again while serving as relevant lessons that underpin our study.⁴⁴
- 80. Three options for rationalisation are presented for consideration.

⁴³ Council of Australian Governments, *Commonwealth-State Ministerial Councils Compendium*, October 2009, Council of Australian Governments, viewed 23 February 2010,

http://www.coag.gov.au/ministerial councils/docs/compendium.pdf>.

⁴⁴ See Part II, paragraphs 2.6-2.14.

Option 1

- 81. One stream of argument has it that MinCos only produce lowest common denominator reforms, can frustrate the intentions of First Ministers and sometimes agree to financial arrangements without having sought prior authority from their respective Cabinets.
- 82. Some were said to be looking for a problem to solve, others were driven by agendas which should be settled by officials, while others did not have the authority or financial wherewithal to tackle problems and were reliant on other line agencies to do so.
- 83. Examples were provided and it was suggested that a broader series of case studies would be even more illuminating about the costs and ineffectiveness of the current system. 45
- 84. Moreover, the current system places onerous demands on the smaller jurisdictions in terms of Ministerial attendance, resources (human and financial where critical mass and competing priorities loom large), capacity to engage with all the issues and make a useful contribution.
- 85. The ACT has five Ministers; the Northern Territory has eight and Tasmania ten. These small numbers of Ministers have memberships across numerous Councils. Time and financial costs are also relatively more important for these jurisdictions and Western Australia.
- 86. Option 1 would therefore be to abolish MinCos altogether.
- 87. COAG would then refer particular issues to Select MinCos in accordance with the scenario set out in paragraph 34 above.

Option 2

88. Another stream argues that MinCos are a cost of democratic federalism, that they do achieve real reforms and foster effective relationships between Ministers and officials working in the same subject area. The sharing and extension of best practice is also beneficial. Supporters of this option counsel central agencies to stop being so obsessed and precious about line Ministers and agencies getting on with their agendas.

⁴⁵ See Part II, paragraph. 3.43 and Part II, paragraph 4.1-4.4.

- 89. For example, Agriculture Ministers will always need to meet, to respond swiftly to an emergency situation (such as pest and disease incursions) or to navigate a path through areas where roles and responsibilities are not clearly defined like biosecurity and environmental issues. The process of negotiation is inherently messy, the need for so many cost-sharing agreements to manage biosecurity, for example, reflecting collective responsibilities between different levels of government.
- 90. In practice, operating under COAG's remit is not always a pre-requisite for collective action. The fundamental issue is how to ensure the reform agenda continues to drive relationship-building and face-to-face interaction, given the turnover of Ministers and officials, to avoid a purely cosmetic change to existing arrangements.
- 91. These MinCos work best where they focus on common operational issues, but can often get into difficulties, protracted debates and displacement activities when they wrestle with contentious policy issues and differences that can only be settled by First Ministers or Cabinets.
- 92. Ministers particularly valued the opportunity of meeting over dinner the night before the Council Meeting to discuss the agenda and matters of mutual interest among themselves. This would be enhanced by starting each MinCo Meeting with a Ministers-only session.
- 93. Appendix 2 provides details of the 40 current MinCos, drawn from their responses to our questionnaire, research and consultations with Chairs, Ministers and officials, together with the recommended fate of each MinCo under this option.
- 94. Option 2 is to rationalise the prevailing situation to improve efficiency and effectiveness, restructuring and retaining MinCos as follows:
- 95. Standing Councils
 - Attorneys-General
 - Community and Disability Services
 - Education, Early Childhood Development and Youth Affairs
 - Emergency Management
 - Energy
 - Environment
 - Federal Financial Relations
 - Food Regulation
 - Health and Ageing (incorporating the Health Workforce Council)

- Housing
- Police and Emergency Services
- Primary Industries
- Tertiary Education and Employment
- Transport
- Workplace Relations
- 96. Under this Option a number of Councils would not have an ongoing role.
- 97. The following Councils would be given a sunset clause:
 - Consumer Affairs
 - Corporations
 - Gambling
 - International Trade
 - Local Government and Planning
 - Murray-Darling Basin
 - Tourism
- 98. These Councils should continue only to complete current work and then be disbanded having regard to the following:
 - given its relatively recent establishment, the International Trade MinCo might be given until December 2012 to complete its work;
 - the Tourism MinCo might also be given until December 2012 to implement the recommendations of the Borthwick Review of the Tourism Council as well as the National Long-Term Tourism Strategy;
 - the Gambling MinCo could have one more meeting to consider the Productivity Commission's public inquiry into gambling industries;
 - the Murray-Darling Basin Council has a key task to progress the development
 of the Murray-Darling Basin Plan. Following agreement to the Plan and signoff by the Commonwealth, COAG could consider whether the Council should
 continue to exist under COAG; and
 - there are several Councils progressing work under the National Partnership to Deliver a Seamless National Economy. These include the Corporations, Consumer Affairs and Local Government and Planning Councils. These Councils could be disbanded following completion of their work between mid-2010 and mid-2011.

- 99. The following Councils could be disbanded altogether under this Option:
 - Aboriginal and Torres Strait Islander Affairs
 - Corrective Services
 - Cultural Ministers
 - Immigration and Multicultural Affairs
 - Mineral and Petroleum Resources
 - Natural Resources Management
 - Online and Communications
 - Regional Development
 - Small Business
 - Sport and Recreation
 - Status of Women
 - Wet Tropics
- 100. These Councils could continue but not under COAG:
 - Gene Technology
 - Great Barrier Reef
- 101. These Councils could be disbanded and their work transferred to officials:
 - Australian Crime Commission
 - Drug Strategy
 - Procurement and Construction

Option 3

- 102. A fundamentally different approach also emerged.
- 103. Reverting to a first principles examination of Machinery of Government arrangements, and Commonwealth/State/Territory roles where shared responsibilities and shared funding are the order of the day, suggests six Standing Ministerial Councils:
 - Community Services
 - Education
 - Health

- Infrastructure
- Police and Emergency Services
- Skills

Two more arise from the nature of our Federation:

- Federal Financial Relations
- Attorneys-General/Justice
- 104. There is a specific ongoing role for the Ministerial Council for Federal Financial Relations in overseeing the new federal financial framework. 46 Given the centrality of economic issues, a Standing Council for Federal Financial Relations could be given a wider economic remit. From time to time, Ministers with expertise in specific areas of the economy could be invited to attend Council meetings.
- 105. The Standing Committee of Attorneys-General has a long history and many stakeholders have expressed qualified views on its performance. There is, however, a need for an inter-jurisdictional body overseeing national legal system and constitutional issues. In line with other conclusions reached by the Review, the new Standing Council would have a more focused and performance-driven strategic agenda.
- 106. The first task of the bodies in paragraph 103 (and arguably the Attorneys-General/Justice MinCo) would be to identify the three highest priority issues of national significance that they are going to deal with and in what timeframes. That would then be forwarded to COAG for endorsement/variation, giving the MinCos sufficient time to complete (or decide how to deal with) the tasks that are on their current agenda.
- 107. Under this scenario, COAG would utilise the option of establishing Select MinCos to oversee achievement of specific tasks. These Councils would include a sunset clause, progress reports back to COAG and arrangements for servicing by officials.

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⁴⁶ See pp. 12-14 of this report. See also clause 29, Council of Australian Governments, *Intergovernmental Agreement on Federal Financial Relations*, updated July 2009, Council of Australian Governments, Canberra, viewed 24 February 2010, http://www.coag.gov.au/intergov agreements/federal financial relations/docs/IGA/ federal financial relations.pdf.

Variations on the Theme

108. Environment

Although Environment might be considered to be a natural fit with the five proposed Standing Councils, it was suggested that it be set up in the first instance as a Select Council to deal with the State and Territory aspects flowing from the October 2009 Report of the Independent Review of the Environment Protection and Biodiversity Conservation Act (1999). That should be achievable by July 2011 at which time COAG could consider the merits of Environment becoming a Standing MinCo.

109. Energy and Climate Change

COAG might consider whether a Standing Council on Energy and Climate Change is required. Establishment of such a Council would recognise the inextricable links between energy and climate change policies. It would also provide a forum for political oversight of the national energy market and the National Partnership on Energy Efficiency. Under this scenario, and as with other new Councils, the focus of a Standing Council on Energy and Climate Change would need to reflect the national priorities identified through negotiation with COAG.

110. Primary Industries

Primary Industries is another that COAG may consider a good candidate for Standing Council status on the basis that the Council limit its focus to addressing a small number of nationally significant items.

111. Most of the National Agreements and National Partnership Agreements would sit and fit relatively easily under this rubric (see Figure 4 on the following page).

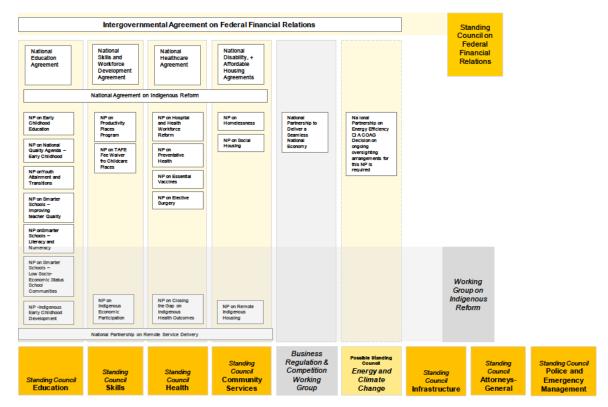


Figure 4: Notional alignment of Standing Councils under Option 3 with COAG National Agreements and National Partnerships Agreements as at January 2010.

Special Cases

- 112. The Ministerial Council Compendium includes three Ministerial bodies which currently have the somewhat ambiguous status of 'Other Ministerial Fora:'
 - Murray-Darling Basin Ministerial Council;
 - Great Barrier Reef Ministerial Council; and
 - Wet Tropics Ministerial Council.
- 113. These bodies involve only one or a few States and Territories (in addition to the Commonwealth) and have a relatively narrow remit.
- 114. The Murray-Darling Basin Ministerial Council is a small Council with a prescribed role in overseeing development of the Basin Plan by the Murray-Darling Basin Authority. The need for political oversight and sign-off of the Basin Plan by the Commonwealth Minister, as well as the enshrinement of these arrangements in legislation, provides a strong incentive to retain this Council until the Basin Plan is developed, which is anticipated to be in 2011.
- 115. In a similar vein, the Great Barrier Reef Ministerial Council has a narrow focus and membership, its function being defined by a recent IGA between the

- Commonwealth and Queensland. While the Council has undoubted value, it is hard to find a reason to maintain it as a COAG Ministerial Council rather, it makes more sense for it to continue outside the COAG system.
- 116. The Wet Tropics Ministerial Council was likewise established, and its role defined, by an agreement between the Commonwealth and Queensland Governments. However, the Council acknowledges that some of its prescribed functions have since become redundant or been taken on by the Wet Tropics Management Authority. It should therefore be abolished and have outstanding responsibilities transferred to another Ministerial or officials' forum.
- 117. Three other MinCos might be considered to fall into the courageous category of 'Yes Minister'.
- 118. First, the Commonwealth, State, Territory and New Zealand Conference on the Status of Women. The Council's work program has not been connected to COAG priorities, nor has it been able to prosecute a strategic agenda.
- 119. Interestingly, in 2009 COAG chose to establish a new Ministerial body to progress its agenda on violence against women rather than task the Council with this work. This Council might therefore be abolished in favour of drawing on expertise from time to time on specific issues through Select MinCos or other advisory groups such as the cross-jurisdictional Ministerial forum set up under the auspices of COAG to develop the National Plan to Reduce Violence against Women which is due to finalise its work to COAG in mid-2010.
- 120. Second, the Ministerial Council for Aboriginal and Torres Strait Islander Affairs (MCATSIA). This is a more complex case given the centrality of Indigenous reform to COAG's current policy agenda. 47
- 121. Currently, the Closing the Gap strategy is being prosecuted through the COAG Working Group on Indigenous Reform (WGIR) as a result of COAG's interest in and direct responsibility for this strategy.⁴⁸ MCATSIA has taken on an advisory

⁴⁷ Six of the 18 National Partnerships listed on the COAG website are specific to Indigenous outcomes, and a further three have significant Indigenous implications: literacy and numeracy, low socio-economic schooling and social housing (see Council of Australian Governments, 'Intergovernmental Agreement (IGA) on Federal Financial Relations', Council of Australian Governments, Canberra, viewed 24 February 2010, http://www.coag.gov.au). In addition, the Prime Minister has committed the Australian Government to reporting to Parliament annually on progress and impediments to the closing the gap target (see *Closing the Gap: the Prime Minister's Report 2010*, Department of Families, Housing, Community Services and Indigenous Affairs, Canberra:http://www.fahcsia.gov.au>.

⁴⁸ The Government's concerns on the challenges posed by the Closing the Gap strategy is reflected in its establishment of the statutory position of Co-ordinator-General for Remote Indigenous Services. The Co-ordinator-General will tackle the practical problems associated with designing, sequencing and

- role to COAG on issues that have major cross-portfolio or whole-of-government implications (for example, implications for service delivery arising from demographics research commissioned by MCATSIA), and to WGIR in relation to service delivery to Indigenous people and strengthening Indigenous corporate governance.
- 122. MCATSIA does not have the clout to drive reform from the front. It does not have formal responsibilities under the IGA on Federal Financial Relations, although individual MCATSIA members play a key role within their jurisdictions in implementing the National Partnership Agreements that are part of the Closing the Gap reforms.
- 123. MCATSIA might therefore be abolished in light of COAG's role in the above arrangements and the process of mainstreaming Indigenous policy outcomes continued through health, education housing and other MinCos. COAG may consider asking MinCos to submit a nationally significant Indigenous reform initiative to it for consideration.
- 124. Another way forward is to agree that MCATSIA members continue to meet as a Ministerial Forum on Aboriginal and Torres Strait Islander Affairs, and that this Forum:
 - establish links with the new National Congress of Australia's First Peoples when it comes into being in January 2011;
 - develop a proposal for COAG that prioritises outstanding items on the MCATSIA work plan and relevant 2020 Summit outcomes;⁴⁹ and
 - work with relevant MinCos to sharpen policy priorities with the intention of providing COAG with a basis for requiring Standing Councils, such as education and health, to address nationally significant Indigenous issues within a specific timeframe.
- 125. The WGIR should continue to co-ordinate the Closing the Gap reform agenda.
- 126. Third, the Small Business MinCo, which has a specific remit to look at the impact of regulation and market power on small business, but whose track record suggests adoption of a different methodology.

rolling out a number of programs in remote communities in the 26 COAG Remote Service Delivery National Partnership locations.

⁴⁹ Department of the Prime Minister and Cabinet, 'Options for the future of Indigenous Australia', in *Australia 2020 Summit: Final Report*, May 2008, Department of the Prime Minister and Cabinet, Canberra, viewed 23 February 2010,

http://www.australia2020.gov.au/docs/final-report/2020-summit-report-7-indigenous.pdf>.

Document 2

127. The BRCWG might usefully take on this role, including by seeking the views of small business on the agenda being prosecuted. This would be in line with recent recommendations of the OECD that suggest that the Working Group could consider regular interaction with business stakeholders to gauge their support for the current reform agenda and other reforms of most concern to business. ⁵⁰

Focusing Councils on Items of Key Strategic National Interest

- 128. A common experience across the existing Council structure is that issues tend to become entrenched on meeting agendas and jurisdictions sometimes seek the cover of the Council for their hobby horses. Some MinCos have at best a tenuous connection with a reform agenda. Fifty percent of Councils say that they have no link to the current COAG Reform Agenda.
- 129. All MinCos might therefore be required to seek COAG's agreement to three nationally important priorities that they will pursue and in what timeframe. COAG Senior Officials would be charged with ensuring that meeting agendas focus only on these items of national significance which warrant collective Ministerial attention.
- 130. This should promote more ambitious forward looking strategic agendas around continuous reform. It would also help delineate those issues that Ministers should sensibly be focusing their time on from those that would more usefully be dealt with by officials or outside of Council processes.
- 131. Under any model, the very first meeting of the new MinCos should be devoted to deciding the three national priorities and transitional arrangements to deal with the significant amount of work on their forward agendas.

When Councils Don't Deliver

132. In the event that the MinCos cannot, will not or do not deliver what is required of them, COAG has the option of rescinding their remit and reallocating it to a Working Group or similar Task Force arrangement.

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⁵⁰ Organisation for Economic Co-operation and Development, op. cit.

Council Work Outside the Remit of COAG

- 133. Each of the three options set out above would result in COAG working with fewer MinCos on a tighter range of strategic priorities. The Review, consistent with its Terms of Reference, is not proposing a status quo option with regard to MinCo numbers.
- 134. COAG may want to make a determination on the fate of current MinCos that do not make the cut.
- 135. One option is to rename them as Forums of Ministers and permit them to meet as they see necessary. An alternative is to cancel their remit altogether.
- 136. One factor that may influence COAG's view on this question is the issue of MinCos' statutory obligations. Consideration of these is given on page 60 and in Appendix 3.

Membership

- 137. It was suggested that MinCo meetings be attended by only one Minister from each jurisdiction charged with taking a whole-of-government approach and accompanied by at most an advisor and two officials.
- 138. This judgment might best be left to individual jurisdictions.

Council for the Australian Federation

139. The suggestion that this Review consider the place of CAF in the scheme of things was set aside as outside of the Terms of Reference; it subsequently emerged that a separate review of CAF is being undertaken by the States.

Legislative Requirements

140. Perhaps chief among Councils' ongoing (as opposed to reform) roles is the prosecution of legislative and governance functions. About a third of Councils have responsibilities under legislation.⁵¹

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⁵¹ See Figure 9 (page 63) and Appendix 3.

- 141. MinCos also have a range of non-statutory governance responsibilities arising from agreements between jurisdictions, many of which are formal intergovernmental agreements.⁵² There may be over 350 IGAs in force across all MinCos.
- 142. There is an increasing trend for MinCos to take on the role of peak governance body for national regulatory systems.
- 143. Ministerial Councils taking on governance responsibilities is often the result of the implementation of reforms and is often initiated by COAG. Increasingly, such responsibilities will provide evidence of past reforms and become part of a Council's ongoing work in managing portfolio systems. COAG may have no ongoing interest.
- 144. The extent of Councils' governance responsibilities varies from general oversight and reporting to Parliaments to detailed regulatory, policy and advisory roles.
- 145. There may be legislative and governance implications arising from COAG's decision in relation to this Review. Two options are proposed to address these.

Option 1

- 146. In some instances, it may be possible for a new or altered Council to simply assume the legislative responsibilities that were previously fulfilled by another Council.⁵³ In cases where there appears to be some flexibility in the interpretation of the meaning of 'Ministerial Council' as referred to in legislation, this is the path of least resistance.
- 147. Where a MinCo is directly named in legislation, any changes to the Council system will need to be reflected by amending the relevant legislation.

Wiltshire, Kenneth, 'Reforming Australian governance: old states, no states or new states?', in Brown, A.J. and Bellamy, Jennifer (eds), Federalism and Regionalism in Australia: New Approaches, New Institutions?, 2006, Australian National University E Press, Canberra, viewed 23 February 2010, http://epress.anu.edu.au/anzsog/fra/html/frames.php. This number is difficult to substantiate. Stakeholder comment to the Review included that the outcomes of inter-governmental negotiations are opaque to citizens.

⁵³ This has occurred in the past – a recent example is the informal transition of legislated governance roles to the Ministerial Council for Education, Early Childhood Development and Youth Affairs (MCEECDYA) from its predecessor, the Ministerial Council for Education, Employment, Training and Youth Affairs (MCEETYA).

148. As a matter of principle, specific reference to a MinCo in legislation or an agreement compromises the longevity of the legislation or agreement. Using phrases such as 'the Ministers with responsibility for X' is more sustainable.

Option 2

149. COAG could allow Councils to continue in order to fulfil legislative and governance responsibilities. Depending on the reform option chosen by COAG, this may mean that some existing Councils would continue to operate but outside the COAG structure and without future reference to COAG.

COAG Handbook on Ministerial Councils

150. We have reviewed and developed proposals for reshaping the Guidelines, Protocols and Principles agreed by COAG in June 2001. ⁵⁴ This final form, which will depend on COAG decisions on this Report, will be incorporated in a new COAG Handbook on Ministerial Councils.

Chairing Arrangements

- 151. Chairing arrangements of MinCos vary:
 - twenty of the Councils are permanently chaired by the Commonwealth;
 - twenty Councils have a Chair that rotates every year or two years between members; and
 - one of the 20 rotating Chairs rotates only between State and Territory members. 55
- 152. Just as the Prime Minister Chairs COAG as *primus inter pares*, there is an argument for MinCos to be chaired by the Commonwealth Minister. Adopting this approach could be accompanied by setting up associated secretariats in the Minister's Department, ensuring adequate resourcing and attention by senior officials to support Ministerial requirements.

⁵⁴ Council of Australian Governments, 'Broad protocols for the operation of ministerial councils', June 2001, Council of Australian Governments, Canberra, viewed 23 February 2010,

http://www.coag.gov.au/coag_meeting_outcomes/2004-06-25/docs/attachments_e.pdf

⁵⁵ The Corrective Services Ministers' Conference of the Ministerial Council on the Administration of Justice.

- 153. Most jurisdictions think this a bridge too far as it risks the perception and reality of increased centralisation and Commonwealth takeover rather than the cooperative approach to federalism, preferring each MinCo to decide chairing arrangements that cater for their circumstances.
- 154. For similar reasons, the thought that MinCos should meet in Canberra as a matter of course might best be let go through to the keeper.

Location of Ministerial Council Meetings

155. Meetings should continue to be confined to Alice Springs, Australian capital cities and Auckland or Wellington in New Zealand.

Secretariats

156. The current 40 MinCos are serviced by 34 secretariats. ⁵⁶ The characteristics of these secretariats are illustrated in Figure 5 below. ⁵⁷

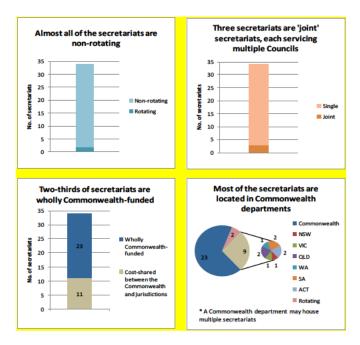


Figure 5: Characteristics of Ministerial Council secretariats

⁵⁶ One independent secretariat in South Australia supports four Councils, one Commonwealth departmental secretariat supports three Councils and another supports two Councils.

⁵⁷ A more detailed examination of secretariats is in Part II, Chapter 3.

157. The total cost of secretariat support across the system is estimated to be about \$8.5 million to service around 160 meetings and provide a range of administrative, project and policy services. This compares favourably with the Canadian system which costs some \$6.7 million to provide only administrative services for around 110 to 120 meetings per year. ⁵⁸

158. Ensuring Standing MinCos operate in accordance with the wishes of COAG is critical.

Option 1

- 159. One option would be to take a quite different approach to the secretariat arrangements, modelled on the CRC structure and funding arrangements.
- 160. This approach recognises that national priorities change over time and often do so without warning. There are also several national strategic issues, both current and emerging, that require a complex cross-portfolio response. The time COAG may need to focus on them will vary.
- 161. The most appropriate secretariat for supporting Ministers may therefore be a single, independent and professional secretariat. One key to the success of this model would involve getting a CEO of the calibre of Mary-Ann O'Loughlin.
- 162. There should be no barrier to such an approach as many individual Ministers and senior officials already work with a complex array of secretariats within and outside their own portfolio areas and departments.
- 163. The CEO under this secretariat option would report to SOM as the Board charged with delivering COAG's requirements; SOM would keep a weather eye on the propensity of MinCos and secretariats to run with their own agenda.
- 164. It could be located in any of the State capital cities on the eastern seaboard, having regard to where the CRC Secretariat (Sydney), Infrastructure Australia (Sydney), the National Broadband Network (Melbourne) and CAF Secretariats (Brisbane) are located.
- 165. The above arrangement would not include the COAG Secretariat or Ministerial Council for Federal Financial Relations Secretariat which should remain with the Prime Minister's Department and The Treasury respectively.

⁵⁸ See Part II, paragraph 4.9. See also Canadian Intergovernmental Conference Secretariat, *2009-2010 Report on Plans and Priorities*, 2009, Canadian Intergovernmental Conference Secretariat, Ottawa, viewed 23 February 2010, http://www.scics.gc.ca/pubs/rpp2009-2010 e.pdf>.

Option 2

- 166. Aggregation of Council secretariats may, however, prove to be impractical and not meet genuine needs. Secretariat services are not expensive if managed well but they are important to effective Commonwealth-State relations and collective problem solving.
- 167. Option 1 could result in duplication of secretariat functions between the lead secretariat agency and portfolio agencies, where 'pseudo secretariats' might be formed in response to demands from departmental executives and ministers. This phenomenon occurs under the current arrangements and was a particularly prevalent characteristic of the 2008 COAG Working Group arrangements.
- 168. The relationship between the secretariat and MinCos is a crucial one. An effective secretariat cultivates productive working relationships with Ministers and senior officials allowing work to be progressed quickly and smoothly.
- 169. If secretariats were aggregated, it may be more difficult to develop close relationships with members and more difficult to progress matters.
- 170. Ministers and senior officials may also be more reticent to work closely with mega-secretariats.
- 171. Option 2 would leave the decision on Secretariat arrangements to each MinCo.
- 172. The quality of the Secretariat is important for good outcomes. Proper business processes are essential to ensure line Ministers come to meetings equipped with the authority to engage in proceedings. The proposed COAG Handbook will help to address these sorts of issues through a best practice and training guide for Secretariats.

Inclusion of Other Governments

- 173. In many cases, membership of individual MinCos extends to New Zealand, Papua New Guinea, Norfolk Island, East Timor and the Australian Local Government Association (ALGA), where participation of the other governments is considered to be mutually beneficial for all parties.
- 174. New Zealand has membership status in 20 Councils and is an observer of nine; Papua Guinea is a member of one Council and an observer of ten; Norfolk Island is a member of one Council and an observer of five; East Timor is an observer of two Councils; and ALGA is a member of six Councils and an observer of seven (see Appendix 4).

- 175. The special nature of the relationship, allied with the Single Economic Market aspiration, suggests that New Zealand should be invited to participate in Standing MinCos as a matter of course. COAG could consider New Zealand and other government involvement when deciding the nature and purpose of Select MinCos.
- 176. In some cases, such as the ALGA, membership of Councils is set out in statute or agreements.
- 177. In relation to Papua New Guinea, Norfolk Island and East Timor, feedback through the Review suggests that there is no strong commitment to Councils from these governments, however there are also no significant concerns that arise when they do choose to participate.
- 178. The first meeting of the new MinCos should therefore address whether any other countries or parties should be members or consulted as part of the MinCos' deliberations.
- 179. As the third tier of government in Australia, Local Government deserves particular consideration.

Other Matters

180. Occasional gatherings of Ministers to discuss particular issues and approaches without the trappings of secretariat and MinCo arrangements were commented on favourably. The Science and Innovation and Primary Industry Ministers' fora were cited in this regard.

TelePresence

- 181. As a general rule, MinCos might be limited to two face-to-face meetings each year with other meetings being conducted through the new TelePresence network.
- 182. The same regime should apply to officials.
- 183. The relatively recent commitment by all jurisdictions ⁵⁹ to this new TelePresence network has significant potential benefits. It will open up opportunities for

⁵⁹ This commitment was included in the July 2009 *National Partnership Agreement on Energy Efficiency*. See Council of Australian Governments, *National Strategy on Energy Efficiency*, July 2009, Council of Australian Governments, Canberra, viewed 23 February 2010,

http://www.coag.gov.au/coag_meeting_outcomes/2009-07-

<u>02/docs/Energy efficiency measures table.pdf</u>>, pp. 30-31.

Ministers to have simpler and easier dialogue without the need for them to be physically present in the same place. It also has the potential to reduce the costs of the MinCo system significantly. It is estimated that some \$15.6 million per annum is spent on travel.⁶⁰

Conclusions

- 184. The purpose of this Review has been to examine the operation of COAG Ministerial Councils in the context of the issues and priorities facing COAG as it prosecutes its 'third wave' of reform and sets the stage for the next. The options put forward by the Review give COAG choices on the best way forward for the structure of the Ministerial Council system, legislative obligations, secretariat reform and best practice operations.
- 185. Australian governments' ambitious reform program depends significantly on the efficiency and effectiveness of COAG and its MinCos. At both levels, it is important that governments work to identify and serve the national interest and, for those matters of strategic national importance that warrant it, to put the national interest before their own.
- 186. Ministerial Councils, which bring together the Commonwealth, State and Territory Ministers responsible for implementing agreed reforms, occupy a key place in the federal system and have a particular opportunity to contribute. This is not the first review of MinCos, yet once rationalised, Councils show a marked tendency to grow back and the issues covered by earlier reviews remain relevant.
- 187. The choices made by COAG on the direction it wishes to take with the MinCo system may require further work on an implementation program under the stewardship of the COAG Senior Officials group.
- 188. The sheer size of COAG's reform program presents a significant risk in terms of how well the purpose of the reforms is understood and even how successful they will be. How COAG prioritises, manages and communicates its reform work will drive that success.
- 189. This requires attention to the prioritisation of reform work with Councils, how agendas might be freed up, how line Ministers' buy-in to implementation might be improved, how levers such as financial incentives are used and how stakeholders are involved in building a consensus on future reforms.

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⁶⁰ See Part II, paragraph 4.4. See also Figure 13 (page 81).

COAG REVIEW OF MINISTERIAL COUNCILS RECOMMENDATIONS

1. Strengthening COAG

1.1 The Review recommends that COAG consider setting its next wave of strategic national priorities, in the first instance through dedicated discussion of the review of Australia's Future Tax System and the third *Intergenerational Report, Australia to 2050: Future Challenges*.

Building Consensus and Cohesion

- 1.2 The Review recommends that First Ministers use COAG as the vehicle for driving their reform agenda and cooperative federalism and:
 - (1) ensure future reforms are as relevant to the States/Territories as the Commonwealth;
 - (2) seek the written views of peak stakeholder groups as part of building a consensus on the next wave of reforms;
 - (3) ask COAG Senior Officials to review peak stakeholder input for consideration by COAG; and
 - (4) ask COAG Senior Officials [and/or the COAG Reform Council] to monitor the potential for overlap and duplication across the COAG Reform program and agencies executing the agenda.

A Manageable, Focused and Achievable COAG Agenda

- 1.3 The Review recommends that COAG:
 - (1) focus each meeting on an item of national strategic significance;
 - (2) give consideration to codifying its meeting agenda by 'starring' for discussion those items that are not recorded as having already been agreed by COAG; and
 - (3) give First Ministers the opportunity at the start of each meeting to ask that any non-starred items be discussed if they wish to do so.

Improving Communication of COAG Achievements

1.4 The Review recommends that COAG:

- (1) undertake fundamental redesign of its website to enable it to become a better portal for communication;
- (2) communicates objectives, outcomes and progress in non-bureaucratic language; and
- (3) consider making the website interactive to allow Ministerial Councils to update relevant sections themselves.
- 1.5 The Commonwealth Government might separately consider establishment of a Strategic Communications Unit in the Department of the Prime Minister and Cabinet.

Strengthening Implementation of Reforms

- 1.6 The Review recommends that COAG:
 - (1) consider inviting relevant line Ministers from time to time to COAG meetings where they are focused on a particular item of national significance;
 - (2) consider more strategic use of financial performance incentives as part of the review being undertaken of National Agreements, National Partnership Agreements and Implementation Plans; and
 - (3) ensure the COAG Reform Council maintains credibility as an independent umpire in the first instance by requiring that the CRC adopt independent website and email arrangements.

2. Strengthening Ministerial Councils

Options for Rationalisation of Ministerial Councils

2.1 The Review recommends that COAG consider the Options for rationalisation of Ministerial Councils and agree to either:

(1) **Option 1:**

• Abolish Ministerial Councils altogether and establish Select Councils on an as needs basis to address particular issues of strategic national importance.

OR

(2) **Option 2:**

• Reduce the number of Councils as follows:

Standing Councils

- o Attorneys-General
- Community and Disability Services
- o Education, Early Childhood Development and Youth Affairs
- Energy Management
- Environment
- o Federal Financial Relations
- o Food Regulation
- o Health and Ageing (incorporating the Health Workforce Council)
- Housing
- Police and Emergency Services
- Primary Industries
- o Tertiary Education and Employment
- Transport
- Workplace Relations

The following Councils would be given a sunset clause:

- Consumer Affairs
- Corporations
- o Gambling
- International Trade
- Local Government and Planning
- o Murray-Darling Basin
- o Tourism

The following Councils should continue only to complete current work and then be disbanded having regard to the following:

- given its relatively recent establishment, the International Trade MinCo might be given until December 2012 to complete its work;
- the Tourism MinCo might also be given until December 2012 to implement the recommendations of the Borthwick Review of the Tourism Council as well as the National Long-Term Tourism Strategy;
- the Gambling MinCo could have one more meeting to consider the Productivity Commission's public inquiry into gambling industries;
- o the Murray-Darling Basin Council has a key task to progress the development of the Murray-Darling Basin Plan. Following agreement to the Plan and sign-off by the Commonwealth, COAG could consider whether the Council should continue to exist under COAG; and

o there are several Councils progressing work under the National Partnership to Deliver a Seamless National Economy. These include the Corporations, Consumer Affairs and Local Government and Planning Councils. These Councils could be disbanded following completion of their work between mid-2010 and mid-2011.

The following Councils could be disbanded altogether:

- Aboriginal and Torres Strait Islander Affairs
- Corrective Services
- o Cultural Ministers
- o Immigration and Multicultural Affairs
- o Mineral and Petroleum Resources
- Natural Resources Management
- Online and Communications
- o Regional Development
- o Small Business
- Sport and Recreation
- Status of Women
- Wet Tropics

These Councils could continue but not under COAG:

- o Gene Technology
- o Great Barrier Reef

These Councils could be disbanded and their work transferred to officials

- Australian Crime Commission
- Drug Strategy
- Procurement and Construction

OR

(3) **Option 3:**

- Establish six Standing Councils to address key areas of shared Commonwealth/State/Territory responsibility and funding as follows:
 - o Community Services;
 - o Education;
 - o Health:
 - Infrastructure;
 - o Police and Emergency Services; and
 - o Skills.

- Establish an additional two Standing Councils necessary to effective operation of the Federation as follows:
 - o Federal Financial Relations; and
 - o Attorneys-General.
- Consider establishment of the following further Standing Councils with a limited focus on a small number of nationally significant items for:
 - Environment, to deal with the State and Territory aspects flowing from the October 2009 Report of the Independent Review of the Environment Protection and Biodiversity Conservation Act 1999;
 - o Energy and Climate Change; and
 - o Primary Industries.
- In relation to the Federal Financial Relations Council, consider expanding its scope to give it a broader economic remit.
- On an as needed basis, establish Select (timeframe limited) Councils to oversee achievement of specific tasks within specific timeframes and with progress reports to COAG.

A Role for Councils in Developing a Strategic National Agenda

- 2.2 The Review recommends that COAG:
 - (1) immediately tasks these new Councils with identifying the three highest priority issues of national significance that they will address and in what timeframes; and
 - (2) consider the priorities identified by Councils and endorse or vary them as appropriate.

Council Work Outside the Remit of COAG

- 2.3 The Review recommends that COAG
 - (1) make a determination on the fate of current Ministerial Councils that are not included in the model chosen for the structure of the Council system and decide whether to:
 - (a) rename them as Forums of Ministers and permit them to meet as they see necessary;

OR

- (b) cancel their remit altogether; and
- (2) encourage occasional gatherings of Ministers to discuss particular issues and approaches without the trappings of secretariat and Ministerial Council arrangements.

Special Cases

- 2.4 The Review recommends that COAG:
 - (1) consider continuation of the Murray Darling Basin Council until the Basin Plan is agreed;
 - (2) recognise the value of the Great Barrier Reef Ministerial Council but agree that, due to its narrow focus and member base, it continue outside the COAG system;
 - (3) disband the Commonwealth, State, Territory and New Zealand Conference on the Status of Women in favour of drawing on expertise from time to time on specific issues through the establishment of Select Ministerial Councils or other advisory groups for a specified time;
 - (4) continue to progress the Closing the Gap reforms through the Working Group on Indigenous Reform although under the chairmanship of a senior official such as the Secretary of the Commonwealth Department of Families, Housing, Community Services and Indigenous Affairs; and
 - (5) in relation to the Ministerial Council on Aboriginal and Torres Strait Islander Affairs (MCATSIA), the Review recommends that COAG consider:
 - (5a) abolishing MCATSIA and continuing the process of mainstreaming Indigenous Policy outcomes through health, education, housing and other MinCos; and
 - (5b) asking each MinCo to submit a nationally significant Indigenous reform initiative to it for consideration;

OR

- (5c) that members of MCATSIA continue to meet with the status of a Ministerial Forum on Aboriginal and Torres Strait Islander Affairs, and that this Forum:
 - establish links with the new National Congress of Australia's First Peoples when it comes into being in January 2011;

- develop a proposal for COAG that prioritises outstanding items on the MCATSIA work plan and relevant 2020 Summit outcomes; and
- work with relevant MinCos and the National Congress to sharpen these into policy priorities with the intention of providing COAG with a basis for requiring Standing Councils such as education and health to address nationally significant Indigenous issues within a specific timeframe; and
- (6) agree that the Business Regulation and Competition Working Group (BRCWG) continue as a vehicle for driving regulatory reform and that its future be reconsidered by COAG in 2012.

Membership

- 2.5 The Review recommends that COAG decide whether:
 - (1) Ministerial Council meetings should be attended by only one Minister from each jurisdiction charged with taking a whole-of-government approach and accompanied by at most an advisor and two officials;

OR

(2) leave this decision to individual jurisdictions.

When Councils Don't Deliver

2.6 The Review recommends that COAG adopt a policy that, in cases where Ministerial Councils cannot, do not or will not deliver what has been agreed, it will take the option of rescinding the Council's remit and reallocating it to a Working Group or similar Task Force arrangement.

Implications for Executive Functions

- 2.7 The Review recommends that COAG decide whether, when Ministerial Council structures change:
 - (1) the legislative responsibilities of Councils should be assumed by a new or altered Council by amending the relevant legislation, using phrases such as 'the Ministers with responsibility for X;

AND /OR

(2) Councils outside the COAG structure should continue to fulfil legislative and governance responsibilities without reference to COAG in the future.

3. Strengthening Secretariats

Structural Reform of Secretariats

- 3.1 The Review recommends that COAG agree to either:
 - (1) establish a single independent professional Ministerial Council secretariat modelled on the COAG Reform Council structure and funding arrangements, which would report to COAG Senior Officials as the Board charged with delivering COAG's requirements; and
 - (2) that this arrangement exclude the COAG Secretariat and the Ministerial Council for Federal Financial Relations Secretariat which should remain with the Prime Minister's Department and The Treasury respectively;

OR

(3) leave the decision on secretariat arrangements to each Ministerial Council.

Best Practice Operations

- 3.2 The Review recommends that COAG approve the drafting of a new COAG Handbook on Ministerial Councils including the following:
 - amalgamating and rationalising the 'Broad Protocols for the Operation of Ministerial Councils' and the 'General Principles for the Operation of Ministerial Councils' to eliminate duplication and provide an outcomes focus;
 - (2) taking into account the Review's findings on features that convey operational effectiveness;
 - (3) that this be undertaken regardless of the decisions COAG makes on structural reform of the Ministerial Council system;
 - (4) that if Option 1 is adopted in relation to structural reform of secretariats (a single independent secretariat), the parameters of best practice operations should form a key part of the establishment of the body;
 - (5) that if Option 2 is adopted in relation to structural reform of secretariats (Council-specific secretariats), a small group of executives from high-performing secretariats should be convened to provide advice on, or templates for, best practice in relation to the parameters of Council reviews and the operational requirements that underpin them;
 - (6) that best practice documentation include Council governance and procedural documentation, agenda development and management, financial procedures,

- project management, inter-Council communication and regulatory impact statement requirements;
- (7) providing this documentation to other Ministerial for outside the purview of COAG to improve their operational effectiveness; and
- (8) giving specific consideration to the application of COAG's policy on best practice regulation to fora outside the COAG Ministerial Council system.

4. Other Matters

TelePresence

- 4.1 The Review recommends that COAG:
 - (1) adopt a general rule to limit Ministerial Councils to two face to face meetings each year;
 - (2) agree that additional Council meetings and business be conducted through the new TelePresence network; and
 - (3) agree that this regime also apply to meetings of officials.

Location of Ministerial Council Meetings

4.2 The Review recommends that COAG continue to confine Ministerial Council meetings to Australian capital cities, Alice Springs and Auckland or Wellington in New Zealand.

Inclusion of Other Governments

- 4.3 The Review recommends that, if COAG agrees to adopt a structural reform model for the Ministerial Council system that includes Standing and Select Councils, COAG agree that:
 - (1) New Zealand be invited to participate in all Standing Councils;
 - (2) COAG will consider the involvement of New Zealand and other governments' involvement in any Select Councils when deciding the nature and purpose of the Council;
 - (3) new Councils will consider at their first meeting whether any other countries or parties should be members or consulted as part of the Councils' deliberations; and

(4) COAG will give particular consideration to Local Government as the third tier of government in Australia.

Document 2

Part II

Chapter 1 - Successive Waves of COAG Reform

- 1.1. COAG's current reform agenda continues a history of policy reforms begun in the 1970s aimed at improving Australia's economic performance. These include ongoing strategies to increase prosperity and raise living standards through increased productivity.
- 1.2. Reform strategies now, however, are not couched in terms of raising but rather maintaining living standards. This is a mark of the impact that globalisation and other key factors, such as the ageing of the workforce, have on the need for co-operation on reform between levels of governments.
- 1.3. Ministerial Councils, albeit in varying guises, have continued to support COAG by providing a forum for co-operation and consultation between governments and at times for progressing national reforms.

Microeconomic Reforms of the 1980s and Early 1990s

- 1.4. These reforms have come in 'waves' and peaked in key periods. The first was a series of micro-economic reforms that began in the 1970s with across-the-board tariff cuts. They sought to enhance productivity through liberalisation of the economy, and included further tariff cuts, the floating of the dollar in 1983, elimination of foreign exchange controls, corporatisation of government business enterprises and deregulation measures in transport and telecommunications.
- 1.5. These reforms shifted the Australian economy from a planned and protected economy towards an open market economy. An important element of change in Commonwealth-State relations was the movement of States' borrowings from control by the Loans Council to a market mechanism underpinned by ratings agencies.

National Competition Policy of the Mid-1990s⁶¹

- 1.6. The pace of microeconomic reform in the context of increasingly competitive international markets in the 1990s put pressure on national competition policy and its extension to areas not covered by the *Trade Practices Act 1974*, in particular public sector businesses overseen by the States.
- 1.7. The need for reform of State enterprises in the national interest saw the emergence of the then Prime Minister Hawke's 'new federalism' in 1990 and the competition policy inquiry that led to the Hilmer Report in 1993. 62
- 1.8. The need for greater cooperation between levels of government in order to effect reform was reflected in the Special Premiers' Conferences of 1990 and 1991. The conferences established support for a broad range of public policy reforms and in particular moves towards an efficient single national economy, and for the establishment of the Council of Australian Governments (COAG) in 1992 as the key vehicle for managing these changes.
- 1.9. The National Competition Policy (NCP) reform package was agreed by the Commonwealth and State and Territory (State) Governments at COAG in 1995, and the National Competition Council was charged with monitoring and reporting on the implementation of the reforms between 1995 and 2005. Incentive payments were made to the States to undertake competition reforms, and each jurisdiction managed its own reform process in the context of common goals.

The Current National Reform Agenda - the 'Third Wave of Reform'

1.10. As the timeframe for implementation of the NCP reforms came to an end, the Victorian Government articulated the framework for its National Reform Initiative to COAG in 2005. This sought to extend the model established by the NCP reforms wherein the States would manage their reform processes to

⁶¹For a more detailed background, see Kain, John et al, 'Australia's national competition policy: its evolution and operation', e-brief, issued June 2001, updated 3 June 2003, Parliament of Australia – Parliamentary Library, Canberra, viewed 24 February 2010,

http://www.aph.gov.au/library/intguide/econ/ncp_ebrief.htm>.

⁶² Hilmer, Professor Frederick, *National Competition Policy Review*, 1993, Australian Government Publishing Service, Canberra, viewed 24 February 2010, http://ncp.ncc.gov.au/docs/Hilmer-001.pdf. See also Federal-State Relations Committee, *Australian Federalism: the Role of the States*, October 1998, Parliament of Victoria, Melbourne, viewed 24 February 2010,

http://www.parliament.vic.gov.au/fsrc/report2/body/chapter3.htm#ch3sub2>.

- achieve agreed national outcomes. In addition to establishing a new basis for federal financial relations, they included ongoing competition and regulatory reforms and also human capital, productivity and workforce participation policies in an attempt to sustain the country's strong economic performance over the previous decade. ⁶³
- 1.11. Agreement was reached by COAG in 2005-2006 on the underlying objectives of further reforms, the COAG Reform Council (CRC) was established and regulatory reform continued. However, the Commonwealth was unwilling to commit to funding productivity payments to the States, and progress with implementing the broader reform agenda stalled until the change of government in December 2007.
- 1.12. At its December 2007 meeting, COAG agreed to the *Intergovernmental Agreement on Federal Financial Relations* which effected a reduction in and restructuring of Special Purpose Payments to the States, introduced National Agreements and National Partnership Agreements and accorded to the CRC the role of monitoring progress and reporting on best practice.

National Agreements

1.13. Ninety-six Special Purpose Payments were replaced with six. At the same time, six new National Agreements were established covering healthcare, education, skills and workforce development, affordable housing, disability and Indigenous reform ⁶⁴

National Partnership Agreements

1.14. National Partnership Agreements were designed to fund specific projects and to facilitate and/or reward States that delivered on nationally significant reforms, and the financial arrangements were to include incentive payments to reward performance.

⁶³ Victorian Department of Premier and Cabinet, 'The history of the national reform agenda', May 2007, updated 7 September 2009, Department of Premier and Cabinet, Melbourne, viewed 24 February 2010, http://www.dpc.vic.gov.au/CA256D800027B102/Lookup/NationalReformAgendaHistory/\$file/The%20History%20of%20the%20NRA%20For%20Website.pdf.

 $^{^{64}}$ Council of Australian Governments, 'COAG Meeting Outcomes', Council of Australian Governments, Canberra, viewed 24 February 2010,

http://www.coag.gov.au/intergov_agreements/federal_financial_relations/index.cfm>.

1.15. The National Partnership Agreements were within the policy areas covered by National Agreements and covered reforms in early childhood, education, skills development, health, housing and a specific focus on closing the gap on Indigenous disadvantage. They also included ongoing microeconomic reforms in business regulation and competition.

1.16. Figure 1 on page 11 illustrates the new federal financial relations architecture.

COAG Working Groups

- 1.17. A new governance arrangement was established by COAG in December 2007 to progress the 2008 COAG Reform Agenda. It comprised seven COAG Working Groups chaired by a Commonwealth Minister and comprising senior officials from the Commonwealth and States. The COAG Working Groups addressed: productivity (early childhood, schooling and skills and workforce development); Indigenous reform; housing; health and ageing; business regulation and competition; infrastructure; and climate change and water.
- 1.18. Many believed that the COAG Working Groups sidelined Ministers in line agencies, particularly at the State level (and therefore also sidelined Ministerial Councils) and created confused lines of accountability. The head of steam building up over this approach was lanced by the onset of the global financial crisis.
- 1.19. They did however, produce extraordinary outcomes in a relatively short period, and even some detractors suggested that their role be clarified rather than that they be eliminated.
- 1.20. As of February 2010, there are three COAG Working Groups still functioning:
 - The COAG Infrastructure Working Group (IWG) continues to progress work on Public Private Partnerships, microeconomic reform specific to the infrastructure sector, implementation of major project approval decisions and strategies for utilisation of existing infrastructure. This work should be completed by mid-2010.
 - The COAG Working Group on Indigenous Reform (WGIR) continues work on a range of issues, the most significant being that on food security in remote Indigenous communities. The WGIR is due to report to COAG in mid-2010 on this issue.
 - The COAG Business Regulation and Competition Working Group (BRCWG) continues to progress a substantial body of work. The BRCWG

has been a particularly effective mechanism for driving implementation of a range of business regulation and competition reforms. There is support from government and non-government stakeholders for continuation of the Working Group although a greater focus needs to be given to achieving the eight competition reforms. Both the Organisation for Economic Cooperation and Development (OECD) and the Productivity Commission identify a need for a body to fulfil this role into the future.

The Role of Ministerial Councils

- 1.21. In relation to the range of tools COAG has at its disposal to effect reform activity (which also includes Ministerial Councils, technical experts, and working groups of officials), the Review found that an equal number of stakeholders favour the elimination or winding up of the COAG Working Groups as favour the option of retaining them as a fallback or stimulus option for COAG to achieve outcomes.
- 1.22. Many stakeholders also questioned the role that Ministerial Councils will have in the future to implement and build on the reform agenda. This is discussed further in Chapter 2.

⁶⁶ Organisation for Economic Co-operation and Development, op. cit.

⁶⁵ Lahey, Katie and Crone, Peter, op. cit.

Chapter 2 - Ministerial Councils

- 2.1. The current system of Ministerial Councils dates from 1992 when all jurisdictions agreed to establish COAG. It was agreed in 1992 that COAG would meet at least annually, be chaired by the Commonwealth and be supported by a group of Ministerial Councils and their standing committees of officials.
- 2.2. At its first meeting, COAG noted the support of Ministerial Councils in providing significant co-operation and consultation between governments and between Commonwealth and State Ministers.
- 2.3. Ministerial Councils have been in existence since 1927 when the Loans Council was formalised and became the first permanent inter-jurisdictional council of Ministers.
- 2.4. Other long-standing Ministerial Councils include the Tourism Ministers' Council (established 1959), the Standing Committee of Attorneys-General (established 1964) and the Australian Procurement and Construction Council (established 1967).
- 2.5. While many others among the current 40 Ministerial Councils have changed their structure, composition and/or name, when COAG was established in 1992 there were 47 Councils recognised by COAG in the Compendium.⁶⁷

Rationalisation and Expansion of Councils

- 2.6. The array of Councils included in the 1992 Compendium was broad. COAG shortly thereafter agreed to rationalise them.
- 2.7. The Communiqué of the COAG meeting of December 1992 refers to concerns that mirror the issues being considered by the current Review: growth in the number of Councils, the scope and distribution of Councils across functional areas of government, overlap and duplication between Councils, blurred lines of accountability, efficiency, effectiveness and the location and number of

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⁶⁷ See Appendix 5.

- meetings. 68 COAG sought a rationalisation that would halve the number of Councils and agreed in 1993 to reduce the number of Councils from 45 to 21.
- 2.8. In 2001 COAG again sought a reduction in Council numbers. They had grown to 31 and were cut back to 25. The issues faced by COAG were similar, and they included the growing number of Councils, the number of meetings and demands on Ministers' time, resource implications and efficiency of secretariats, Council effectiveness and concerns regarding agenda-setting.⁶⁹
- Stakeholder consultations conducted within the current Review have shown that these issues remain a central concern.
- 2.10. COAG gave further consideration to improving Ministerial Council arrangements in 2004 and 2008.



Figure 6: Earlier rationalisation and expansion of Councils

- 2.11. This is not to say that other reforms made to the system of Ministerial Councils since 1992 have not been beneficial. These include guidelines for the creation of new Councils in 2001, revisions to the *Broad Protocols and General Principles for the Operation of Ministerial Councils* in 2001 and 2004, and a decision in 2008 that in future new Councils would only be established on a 'one in one out' basis.⁷⁰
- 2.12. It should be noted that in 2001, COAG agreed that its Senior Officials would develop a proposal for more fundamental reform of Councils. As a result of the consequent Working Group Review in 2004, improvements were made that were aimed at increasing the focus of Council agendas on strategic issues, improving reporting and information flows by Ministerial Councils on key

 69 An extract from the paper on Ministerial Councils considered by COAG Senior Officials in 2001 is at Appendix 6.

⁶⁸ Council of Australian Governments, meeting communiqué, 7 December 1992, Council of Australian Governments, Canberra, viewed 24 February 2010,

http://www.coag.gov.au/coag_meeting_outcomes/1992-12-07/index.cfm>.

⁷⁰ Council of Australian Governments, 'Broad protocols for the operation of ministerial councils', op. cit.

- issues and outcomes, and having Councils conduct regular reviews of their own functions.
- 2.13. These issues remain of concern today, and Council numbers have grown again to 40.⁷¹
- 2.14. Any change to the Ministerial Council system that hopes to be sustainable will need to take into account the underlying reasons why Council numbers expand again after being rationalised.

Why Council Numbers Expand

- 2.15. The growth and re-growth in the number of Ministerial Councils is not the only issue of concern to this or earlier reviews. It is, however, a significant factor the Review has had to consider in the context of competing claims for individual Council longevity.
- 2.16. The phenomenon can be analysed in relation to the work programs of particular Councils. However, the Review believes that there are two systemic factors at work.
- 2.17. The first is that the broad range of Ministerial bodies in existence in 1992, and their persistence despite COAG's repeated redistribution of their responsibilities, suggest that Ministers find it very useful to meet on inter-jurisdictional matters of concern to them formally and informally and independently of the role COAG has cast for Councils.
- 2.18. The second concerns the scope of the system itself. As indicated above, the parameters of the 1992 rationalisation included consideration of Councils' distribution across areas of government activity.
- 2.19. Subsequent rationalisations have tended to change this distribution rather than narrow it, and the overall scope of the Councils has remained largely the same.
- 2.20. There may be an assumption that Ministerial Councils *should* reflect the full range of government functions and this may work against sustainable change to their number. However, it should be questioned whether COAG needs to be in conversation with each portfolio at all times.

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⁷¹ The *Commonwealth-State Ministerial Councils Compendium*, op. cit., currently lists 37 Ministerial Councils and three Other Fora. See Figure 10 on page 68.

- 2.21. Ministerial Councils and the related fora, recognised in the COAG Ministerial Council Compendium, are among many ways in which jurisdictional Ministers confer on matters of common and national interest.
- 2.22. Similarly, the standing committees of officials that support them are amongst a range of permanent and time-limited officials' meetings that occur between jurisdictions.
- 2.23. What sets Ministerial Councils and their officials' meetings apart from other means of inter-jurisdictional collaboration is the role they now play in relation to matters of strategic national interest pursued by COAG. It is in relation to these matters of strategic national interest that Ministerial Council review and reform is now being conducted.

Key Roles of Ministerial Councils

- 2.24. The Ministerial Council Compendium acknowledges the broad range of Council functions in its requirements of Council agendas. Items should only be included on the Agenda where there is:
 - referral by COAG;
 - a legislative requirement;
 - interest or potential interest for all jurisdictions;
 - a perceived benefit in sharing information, innovations and experience;
 - a need to resolve areas of disagreement on key issues of Australia-wide concern; or
 - a need to ensure effective Ministerial control and accountability to Ministers at a national level of key activities and matters subject to funding agreements.⁷²
- 2.25. The breadth of these roles requires revision in light of national strategic issues and the importance of the COAG Reform Agenda.

A role in progressing reform

2.26. While Ministerial Councils and other Ministerial for undertake a wide range of functions in pursuit of a more effective and creative federal system in Australia,

⁷² Council of Australian Governments, 'General principles for the operation of ministerial councils', op. cit.

there is an important intersection between the roles of Ministerial Councils and the mechanisms COAG uses for pursuing reform.

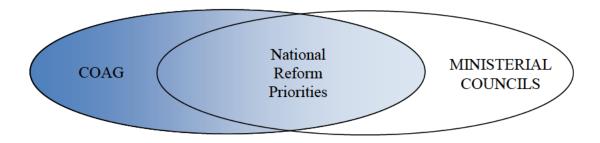


Figure 7: Intersection between COAG and Ministerial Councils on reform

- 2.27. First Ministers noted at their April 2009 COAG meeting that Ministerial Councils are one of several mechanisms that they can use to progress reform activity.⁷³ Other mechanisms include several types of working groups and the commissioning of independent reports. These can be triggered quickly by COAG and appropriately resourced for short periods of time.
- 2.28. The success of Councils where, for example, COAG has tasked Councils with a defined piece of work to be undertaken within a specific timeframe, or where Councils have statutory obligations, was acknowledged at this meeting. That Councils will in some instances be an appropriate mechanism for finalising outstanding issues on COAG's reform agenda was noted.
- 2.29. It was also noted that Councils have been criticised for slow decision-making, inadequate consultation, inadequate cost-benefit analysis on issues such as in the preparation of Regulatory Impact Statements (RIS) and lack of strategic consideration of issues.⁷⁴ Entrenched impediments and institutional barriers to progressing reform have been linked to ineffective Council operations.
- 2.30. While the importance of Ministerial Councils in the mechanisms that support creative and cooperative federalism has been acknowledged, there have also been calls for significant rationalisation of Council numbers in order to foster integration of issues and strengthen their effectiveness.

⁷⁴Detailed consideration of Ministerial Councils' preparation of RIS begins at paragraph 3.59.

⁷³ Council of Australian Governments, meeting communiqué, 30 April 2009, op. cit.

A Role in Progressing Current COAG Reforms

- 2.31. A key role of Councils is to progress national reforms agreed by COAG, both between and across portfolio boundaries. In relation to national reforms agreed by COAG since 2007, Ministerial Councils can identify, develop, agree and implement elements of reform to national and inter-jurisdictional systems.
- 2.32. Implementation can include putting new arrangements in place and evaluating their success and ongoing effectiveness and relevance. Many Councils have yet to fulfill their potential in this regard.
- 2.33. Cross-portfolio issues are increasing: for example, responding to the impact of changing economic circumstances on current reforms *viz*. higher interest rates on affordable housing, or as is seen by the impact of climate change on a range of portfolio interests.

Where do Ministerial Councils sit in the Current Reform Process?

- 2.34. Figure 8 below illustrates the relationship between Commonwealth and State central agencies and line agencies prior to the new outcomes-based reform architecture agreed by all jurisdictions and expressed in the IGA on Federal Financial Relations.⁷⁵
- 2.35. With the signing of this IGA, there has been a move from a complex and expanding system of Special Purpose Payments (SPPs) to one based on a small number of SPPs, a core group of National Agreements and a growing number of National Partnership Agreements.
- 2.36. A key change is that jurisdictions determine how agreed outcomes will be reached. There is now also a relationship through the IGA on Federal Financial Relations between Commonwealth central agencies and line Ministers in the Commonwealth and jurisdictions that did not previously exist, as the diagram, below, illustrates.

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⁷⁵ The diagram on the left hand side is adapted from Parkin, A., 'Accountability, subsidiarity and responsiveness in Australia's Federation: a States' perspective', Institute of Public Administration Australia Policy Roundtable on Federalism, University of Canberra, 18 May 2007, sighted 9 March 2010, http://flinders.edu.au/sabs/papp-files/federalism/parkinippa.pdf.

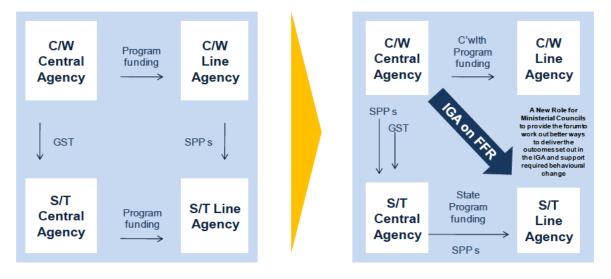


Figure 8: Inputs-based relationships between central and line agencies

- 2.37. Individual Ministers within jurisdictions are responsible for implementation of the National Partnership Agreements and for establishing arrangements that will achieve the desired results. Commonwealth line Ministers have a key interest in and play a key support role in achieving these results.
- 2.38. There is therefore a new space for co-operation between Commonwealth and State line Ministers for sharing experience and strategies aimed at achieving the outcomes agreed in the National Partnership Agreements.
- 2.39. If Ministerial Councils did not exist, it may now be necessary to invent them. That Councils have existed for considerable lengths of time, but in most cases were not used to institute the new arrangements, is an indictment of their perceived value in the context of the current reform agenda.
- 2.40. The IGA on Federal Financial Relations suggests a role for Ministerial Councils in relation to establishing national minimum data sets and improving the quality, timeliness and coordination of data required to allow comparative reporting of governments' achievement against agreed objectives and outcomes.
- 2.41. In addition, a number of Ministerial Councils were directed by COAG to undertake work on development, implementation and/or oversight of National Agreements and National Partnership Agreements, with oversight by COAG.⁷⁶

⁷⁶ For example, several Ministerial Councils including the Australian Transport Council and the Ministerial Council on Consumer Affairs have developed proposals relating to regulatory and competition reform under the National Partnership Agreement to Deliver a Seamless National Economy. The Ministerial Council for Education, Early Childhood Development and Youth Affairs was tasked with

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- In some instances, a Council's responsibilities have also been identified under National Agreements.⁷⁷
- 2.42. However, as discussed above and in other sections of this Report, little policy development in 2008 was undertaken outside the COAG Working Groups by Ministerial Councils.⁷⁸
- Through their role in implementation and oversight, Ministerial Councils can 2.43. and should play a role in the culture change that is essential for achieving the outcomes specified in the new National Agreements and National Partnership Agreements.
- 2.44. A table listing Councils' links to the current reform agenda and their role in progressing specific reform is at Appendix 7.

Strengthening Inter-Jurisdictional Relationships

- 2.45. Where there is a strong, constructive relationship between jurisdictions' Ministers, outcomes are improved – innovation and creativity are generated, the risk of policy failure is shared and there is competition from all levels of government for more effective performance.
- Councils are a key forum in which conversations are held and relationships developed that support ongoing inter-jurisdictional change and the identification and pursuit of best practice. Councils provide a forum where the groundwork is laid for harmonisation and smaller, portfolio-specific reforms are pursued.
- 2.47. Ministers' commitment to Councils has the potential to deepen our democracy, provide a check on power and support multiple opportunities for participation and for regional differences to be taken into account.

further development of policy and reform directions set out in the National Education Agreement and relevant National Partnership Agreements.

⁷⁷ For example, under the National Agreement for Skills and Workforce Development, the Ministerial Council for Tertiary Education and Employment is established as the key decision-making body and has overall responsibility for the National Training System.

⁷⁸ See Part I, paragraphs 36-42.

Statutory and Governance Responsibilities

- 2.48. Perhaps chief amongst Councils' ongoing (as opposed to reform) roles is the administration of legislative and governance functions, in particular those that Councils have in relation to structures that underpin portfolio systems. Responses to the Review questionnaire indicate that approximately a third of Councils have responsibilities under legislation.
- 2.49. Such responsibilities arise where State-based regulation interfaces with new national regulatory systems. Current examples include the proposed health workforce, national occupational licensing and legal systems. They are also common where there is a changing public/private sector interface and strong governance around new market structures is required, such as in vocational training or energy.
- 2.50. Ministerial Councils also have a range of non-statutory governance responsibilities that are largely derived from agreements between jurisdictions, many of which are formal IGAs. It is currently estimated that there are over 350 IGAs in force across all Ministerial Councils. ⁷⁹ 80 81
- 2.51. IGAs are considered to be 'soft legislation' and often reflect the more difficult negotiations on new inter-jurisdictional arrangements. They are a common precursor of legislation (either Commonwealth or State or both) to establish new national regulatory regimes, but also comprise the architecture of the new federal financial relations system. They have traditionally been developed under the auspices of Ministerial Councils. However many of the reforms agreed since 2007 are reflected in schedules to the IGA on Federal Financial Relations developed by COAG Working Groups and other special purpose committees.
- 2.52. Where previously State-based regulatory arrangements are brought under frameworks to establish national uniformity, there is a trend for Ministerial Councils to take on a role as their peak governance body. This affords transparency and accountability and it balances stakeholder-based governance elements such as Boards and provides improved access for business, consumers and citizens.

⁸⁰ The number of IGAs is difficult to substantiate. Stakeholder comment to the Review included that the outcomes of inter-governmental negotiations are opaque to citizens.

⁷⁹ Wiltshire, Kenneth, op. cit.

⁸¹ Saunders, Cheryl, op. cit., p. 21.

2.53. The Victorian Parliament's Federal-State Relations Committee described what is common practice, thus:

...instruments of intergovernmental joint decision-making are established under schemes of uniform legislation, which delegate continuing regulatory authority to an appropriate Ministerial Council. The Ministerial Council, and its decision-making procedures, is generally identified by reference to an intergovernmental agreement, attached as a schedule to the legislation. The standard decision-making arrangement is two-tier: the legislation creates a national agency to provide independent regulatory or policy advice to the Ministerial Council, which takes the final decision with respect to implementing a recommended measure. 82

- 2.54. All statutory and IGA provisions in relation to the roles of Ministerial Councils include governance responsibilities. The extent of Council governance varies. It ranges from general oversight and reporting to Parliaments to detailed regulatory, policy and advisory roles. As indicated above, governance responsibilities commonly concern the relationship between Councils and what is often a range of supporting agencies such as Statutory Authorities, Boards and other kinds of councils. There are several Ministerial companies where jurisdictional Ministers comprise the shareholders or owners of an organisation and where the Board reports to the Ministers (rather than to the Council).
- 2.55. There is an increasing requirement for governance arrangements that call for Ministerial Council involvement. While much of this derives from initial regulatory reform, it can also reflect a deliberate strategy on the part of Councils to increase substantive decision-making between jurisdictions in relation to governance issues and to look for solutions in new architecture that reflects joint responsibility.
- 2.56. Several individual Councils have extensive experience in administering legislative and governance responsibilities⁸³. However it appears that the administration of some executive roles by Ministerial Councils attracts little respect and that establishing a legislative base for Ministerial cooperation is neither a guarantee of more efficient Council operations nor of greater strategic

⁸³ This is particularly the case where Ministerial Councils have oversight of complex portfolio systems, such as for education, health and energy.

⁸² Federal-State Relations Committee, op. cit., chapter 4, paragraph 44.

- focus. It is true that Councils have generally been successful in the administration of their executive functions.
- 2.57. The holding of executive functions and governance responsibilities has not prevented Council reform under the current system, such as between the education Councils. A Changes to the structure of the Council system can be facilitated by reference in legislation and other instruments to Ministers with given policy responsibilities (rather than referring to Councils by name), but has not been held back by reference to specific Ministerial Councils.
- 2.58. It is worth noting that governance responsibilities are growing across and also within Councils. There is competition for the attention of Councils and for these responsibilities 'not to slip to the bottom of the agenda.' Having Ministerial Councils take on governance responsibilities can be of significance to COAG as they are a direct result of implementing reforms, often those initiated by COAG. Increasingly they will provide evidence of past reforms and become part of a Council's ongoing work in managing portfolio systems. COAG may have no ongoing interest in the operation of such systems and the related Council governance functions once the systems are operational.
- 2.59. The more reforms prosecuted by the Federation, the more the architecture of joint responsibility will grow. Councils will have to grow in effectiveness to design, construct and maintain this architecture, but the maintenance activity is separate from the primary conversation COAG needs to have with Ministerial Councils about initiating the process.
- 2.60. Figure 9 below illustrates the range of Ministerial Councils' statutory responsibilities in terms of the potential barrier they represent to a possible rationalisation of Councils. It indicates the extent to which a reorganisation of such responsibilities might be needed if changes to the structure of the Council system were made.
- 2.61. A detailed examination of these Councils and their legislative responsibilities is at Appendix 3. A table illustrating Councils' links to IGAs that do not relate to the COAG Reform Agenda is at Appendix 8.

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⁸⁴ The Ministerial Council for Vocational and Technical Education (MCVTE) and the Ministerial Council on Employment, Education, Training and Youth Affairs (MCEETYA) realigned their responsibilities in 2009 to become the Ministerial Council for Tertiary Education and Employment (MCTEE) and the Ministerial Council on Education, Early Childhood Development and Youth Affairs (MCEECDYA).

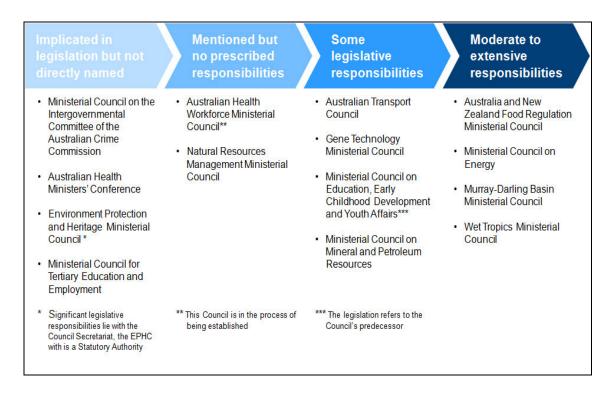


Figure 9: Implications of changing Ministerial Council arrangements in relation to executive functions

Issues arising from the consultations

Dealing with a complex remit

2.62. Councils display a range of strengths in relation to their various roles and excel in different areas. There is no necessity for Councils to fulfill all potential roles, neither do they have to undertake the same broad range of activities. Where large complex Councils have been created through the absorption of smaller Councils, such Councils often fail to meet or have infrequent and poorly attended meetings. In such Councils, there is also a tendency for Ministers to meet in their constituent portfolio groups. The Review has repeatedly been told that the combination of portfolio interests within a Council can work against its effectiveness.

Strategic Focus and Agenda-Setting Arrangements

2.63. The relevance of the agenda is the most important factor in determining whether Ministers attend and are engaged with Council business. Having an agenda that is structured to maintain strategic focus allows Ministers to manage key issues

- effectively. Where a number of Ministers may be relevant, it also allows them to attend the sessions and focus on the issues that are relevant to them and to have 'the right Ministers at the table.'
- 2.64. Where a coherent, issues-based agenda which unites the interest of the constituent portfolio groups is not present, members can lose interest in Council activities and often send junior Ministers or officials to meetings in their place. Where the agenda lacks focus, smaller jurisdictions often choose to send no-one.
- 2.65. The role that COAG can play in providing coherence and focus to Council agendas has been widely acknowledged by stakeholders. However, COAG is not seen as the only driver of strategic focus for Councils. Inter-jurisdictional portfolio interests can also provide this.
- 2.66. It is not only large, complex Councils that can struggle with achieving coherence and focus in the issues on their agendas. Some Councils, including those with a smaller number of members and a narrow portfolio, have only very recently addressed the large number of standing items dealt with at each meeting. Some Councils maintain an agenda with too many standing items. Some Councils' agendas have remained static for several years. There appears to be a focus on processes and outputs rather than outcomes in many Councils.
- 2.67. A similarly important and related finding is that Ministers value the work of their Councils when they see it as having strategic national significance and also when the change they have wrought is made possible by the building of trust between jurisdictions.

A Range of Ministerial Fora - Duplication and Inconsistency

2.68. A range of Councils and other inter-jurisdictional bodies can function within the same policy area, and Ministers often meet in several different for a concurrently to either different or related ends.

2.69. These bodies can include:

- broad Councils based on policy clusters, such as for education and health/community services;
- broad Councils based on multi-faceted portfolio areas, such as for air, road, rail and maritime transport;
- specific Councils that support activity across a range of other policy delivery areas, such as for Indigenous issues;

- what might be called 'dual' Councils which combine producers and regulators, such as for food and resource management;
- narrow portfolio-oriented Councils, such as for communications and international relations;
- geographically-based Councils, such as for the Murray-Darling Basin and the Great Barrier Reef;
- reform-based Ministerial meetings, such as conducted by Health Ministers in anticipation of the passing of the *Health Practitioner Regulation National* Law Act 2009 by all jurisdictions;⁸⁵
- issues-based Ministerial fora, such as convened by the Commonwealth Minister for Primary Industries;
- Ministerial Councils that are outside the group of COAG Ministerial Councils, such for violence against women; and
- officials meetings within or across portfolio areas, such Standing Committees of Officials and COAG Working Groups.
- 2.70. To highlight a few examples from this list, health is an example of an area with mature arrangements wherein Ministers have been meeting as their portfolio grouping within the broader Ministerial Council and then with a separate agenda, for example on the afternoon of the same day, to progress key COAG reform issues on the health workforce.
- 2.71. Similarly, the primary industries Ministers meet in both the Primary Industries Ministerial Council and the Natural Resources Management Ministerial Council, and also as a separate issues-driven Ministers' forum with limited support from officials.

The Value of Ministers-Only Meetings

- 2.72. While the primary industries Ministers' forum referred to above is a structured, if ad hoc, example, of Ministers meeting outside their Council arrangements, the preference for Ministers to meet outside formal Council structures to resolve issues and build relationships and trust is widespread and cannot be overstated.
- 2.73. The need and desire for Ministers to meet on inter-jurisdictional matters of concern to themselves and to COAG, both formally and informally, has been a

⁸⁵ The Australian Health Workforce Ministerial Council Ministers have met, but the Council is not yet included in the COAG Ministerial Council Compendium as all jurisdictions have not yet adopted the *Health Practitioner Regulation National Law Act 2009.*

- theme of stakeholder input to the Review. It is highly valued for a range of reasons.
- 2.74. These include the influence these meetings can have in building relationships of trust on which compromise and progress depend, and the capacity that 'Ministers-only' discussions have to break deadlocks on agreement and to prioritise reform issues.
- 2.75. The importance of conversations between Ministers adds weight to the finding noted above in relation to the repeated expansion of the number of Councils and that there is a tendency of the Ministerial Council system to cover the full range of government functions.⁸⁶

⁸⁶ See Part I, paragraphs 75-76.

Chapter 3 – Supporting Councils

Secretariats

- 3.1. The quality of a secretariat is an essential contributor to the capacity of a Ministerial Council to make high quality decisions. Throughout the consultations conducted by the Review, stakeholders consistently acknowledged that the quality of the secretariat is essential to effective Council operation and that reforms should be linked to best practice.
- 3.2. There is broad agreement on what constitutes a good secretariat. While an excellent secretariat is no guarantee of an effective Council, an ineffective secretariat significantly limits the capacity of a Council to perform well.
- 3.3 In order to maximise the contribution that secretariats make to the effectiveness of Councils across the system, there is agreement that further secretariat reform is required.

Characteristics of Secretariats in the Ministerial Council System

- 3.4. The Ministerial Council system contains 34 secretariats supporting 40 Councils and their standing committees of officials.
 - Of the total 34 secretariats; three are joint secretariats.
 - Thirty-two secretariats are permanent; two rotate.
 - Twenty-nine secretariats are located within government departments, including the two that rotate between jurisdictions.
 - There are 11 independent secretariats (six of which are accommodated by departments), supporting 14 Councils.
 - Of the 11 independent secretariats, one is in New South Wales, one is in Victoria, two are in Queensland, one is in Western Australia, two are in South Australia; and four are in the ACT, two of which are within Commonwealth departments.
 - Twenty-three secretariats are housed by Commonwealth departments, two of which are joint secretariats; nine are located within States and Territories, one of which is a joint secretariat; two rotate.
 - The 23 secretariats housed by Commonwealth Departments are spread across 12 departments: seven of these house two or three separate secretariats (two of which are joint secretariats); and five house one secretariat.

3.5. A detailed picture of the group of Ministerial Council secretariats is in Figure 10 below.

Council	Secretariat			Chair
	Permanent	Department	Jurisdiction	Permanent
1. Aboriginal and Torres Strait Islander Affairs	✓	Independent	WA (dept)	Rotating
2. Administration of Justice - Corrective Services	✓	~	C'wealth (AGD)**	Rotating
3. Administration of Justice - Australian Crime Commission	✓	✓	C'wealth (AGD)**	✓
4. Administration of Justice - Emergency Management	✓	~	C'wealth (AGD)	✓
5. Administration of Justice - Police	✓	✓	C'wealth (AGD)**	Rotating
6. Attorneys-General - Corporations	✓	√	C'wealth (DoT)	✓
7. Attorneys-General - Standing Committee of As-G	✓	Independent	NSW (dept)	Rotating
8. Consumer Affairs	✓	Independent	C'wealth (DoT)	Rotating
9. Cultural	✓	Independent	C'wealth (DEWHA)	Rotating
10. Drug Strategy	✓	✓	C'wealth (DoHA)	Rotating
11. Education, Early Childhood Development & Youth Affairs	✓	Independent	VIC	Rotating
12. Energy	✓	/	C'wealth (DRET)	✓
13. Environment Protection and Heritage	✓	Independent	SA	✓
14. Federal Financial Relations	✓	✓	C'wealth (DoT)	✓
15. Food Regulation, Australian and New Zealand	✓	/	C'wealth (DoHA)	✓
16. Gambling	✓	✓	C'wealth (FaHCSIA)	✓
17. Gene Technology	✓	✓	C'wealth (DoHA)	Rotating
18. HACDS – Ageing	✓	Independent	SA*	Rotating
19. HACDS – Health	✓	Independent	SA*	Rotating
20. HACDS - Community and Disability Services	✓	Independent	SA*	Rotating
21. Housing	✓	Independent	SA*	Rotating
22. Immigration and Multicultural Affairs	✓	-	C'wealth (DIaC)	
23. International Trade	✓	✓	C'wealth (DFaT)	│ ✓
24. Local Government and Planning	✓	✓	C'wealth (DITRDLG)	│
25. Mineral and Petroleum Resources	✓	✓	C'wealth (DRET)	Rotating
26. Natural Resources Management	✓	✓	C'wealth (DAFF)***	✓
27. Online and Communications	✓	✓	C'wealth (DBCDE)	→
28. Primary Industries	✓	✓	C'wealth (DAFF)***	✓
29. Procurement and Construction	✓	Independent	ACT	Rotating
30. Regional Development	✓	✓	C'wealth (DITRDLG)	✓
31. Small Business	Rotating	✓	-	Rotating
32. Sport and Recreation	Rotating	/	-	Rotating
33. Status of Women	✓	✓	C'wealth (FaHCSIA)	Rotating
34. Tertiary Education and Employment	✓	Independent	QLD (dept)	√
35. Tourism	✓	· ·	C'wealth (DRET)	Rotating
36. Transport	✓	→	C'wealth (DITRDLG)	
37. Workplace Relations	✓	✓	C'wealth (DEEWR)	→
OTHER FORA			` /	
38. Great Barrier Reef	1	✓	C'wealth (DEWHA)	✓
39. Murray-Darling Basin	✓	Independent	ACT	✓
40. Wet Tropics	→	Independent	QLD	Rotating

Figure 10: Analysis of Ministerial Council secretariats

Note: Asterisks indicate Secretariats supporting pairs or groups of Councils

Relationship between Chairs and their Secretariats

- 3.6 There is a complex relationship between Councils and their Chairs.
 - Twenty Councils have Chairs that rotate through member jurisdictions.
 - Twenty Councils are permanently chaired by Commonwealth Ministers; of these, 17 have permanent secretariats within Commonwealth departments, but not necessarily their own.
- 3.7. The following examples illustrate this complexity for Ministers and their portfolio secretaries.
 - Attorney-General and Justice
 - The Commonwealth Attorney-General's Department houses the secretariat for the Ministerial Council on the Administration of Justice (MCAJ). MCAJ comprises the Ministerial Council for Police and Emergency Management Police (MCPEM-P), the Corrective Services Ministers' Conference (CSMC), the Ministerial Council for Police and Emergency Management Emergency Management (MCPEM-EM) and the Intergovernmental Committee on the Australian Crime Commission (IGC-ACC). The secretariat for MCPEM-EM is separate from the MCAJ secretariat.
 - o The Commonwealth Attorney-General is the Chair of MCPEM-EM.
 - The Commonwealth Minister for Home Affairs is a member of MCAJ itself and MCPEM-P and the IGC-ACC, and has observer status at CSMC.
 - The Attorney-General and the Minister for Home Affairs are both members of the Standing Committee of Attorneys-General (SCAG).
 - The secretariat for this Council is located within the New South Wales Attorney-General's Department.
 - Environment⁸⁷
 - The Commonwealth Department of Environment, Water, Heritage and the Arts houses two secretariats, those for the Cultural Ministers' Council and the Great Barrier Reef Ministerial Council. The Commonwealth Minister chairs the latter.
 - The Commonwealth Minister also chairs the Environment Protection and Heritage Council (the secretariat of which is a statutory authority) and cochairs the Natural Resources Management Ministerial Council with the

⁸⁷ These arrangements were in place prior to the changes to the Ministry announced on 26 February 2010, and they may change.

Minister for Primary Industries, whose department houses a joint secretariat for this and the Primary Industries Ministerial Council.

- Community Services and Related Areas
 - The following table, Figure 11, refers to Councils within this portfolio area:

Council		Rotating/Permanent	
Community and Disability Services Ministers Conference	Chair	Rotating	
	Secretariat	Independent SA	
Housing Ministers Conference	Chair	Rotating	
	Secretariat	Independent SA	
Ministerial Council for Aboriginal and Torres Strait Islander Affairs	Chair	Rotating every two years	
	Secretariat	WA Department of Indigenous Affairs	
Ministerial Council on Gambling	Chair	Permanent	
	Secretariat	FaHCSIA	
The Commonwealth, State, Territory and New Zealand Ministers' Conference on the Status of Women	Chair	Rotating annually	
	Secretariat	FaHCSIA	

Figure 11: Councils within the Community Services portfolio

Previous Reviews and Their Relation to Secretariats

- 3.8. Earlier reviews of Ministerial Councils have considered ways in which secretariats could be made more efficient, effective, strategically focused and accountable.
- 3.9. This has included consideration of improvements to decision-making and policy oversight, work planning, monitoring and review, agenda-setting, secretariat operation, coordination, the strategic focus of sub-Council structures and adequate resourcing for Councils and secretariats.⁸⁸
- 3.10. Despite improvements and high levels of capacity and professionalism in some secretariats, these issues remain of concern across the broader system.

⁸⁸ Council of Australian Governments, meeting communiqué, 7 December 1992, op. cit.; Council of Australian Governments, meeting communiqué, 8-9 June 1993, Council of Australian Governments, Canberra, viewed 25 February 2010, < http://www.coag.gov.au/coag_meeting_outcomes/1993-06-08/index.cfm; Council of Australian Governments Secretariat, 'Review of Ministerial Councils', COAG Senior Official's agenda paper, 27 April 2001; Council of Australian Governments Secretariat, 'Review of Ministerial Councils', COAG agenda paper, 8 June 2001.

Issues Arising From the Consultations

- 3.11. In adopting a principles-based approach, this Review identified five key elements which form a set of structural and operational principles against which options for reform of Ministerial Councils can be assessed.
- 3.12. These are: responsiveness, capacity, effective operation, efficiency and good governance.
- 3.13. Indicators for Council achievement against each principle were identified.

 These were tested with key stakeholders and endorsed. Together they provide a strong framework within which secretariats' capacity to provide support to Councils can be considered.
- 3.14. This framework was then matched against the capabilities that are required to deliver the identified achievements.
- 3.15. This analytical model was not tested with stakeholders, however its conclusions were independently verified by stakeholder comment throughout the Review, which identified the contributing capabilities as those characteristics that secretariats need in order to provide Councils with the support they need.
- 3.16. The model is set out in Figure 12 on the following page.
- 3.17. In preliminary discussions on the Review, Senior Officials acknowledged that the potential of secretariats has been underestimated.
- 3.18. Senior Officials made the point that 'intellectual grunt' or a capacity for strategic support behind the meetings to support Ministers and officials is important and should be strengthened.
- 3.19. A number of strategies were suggested to strengthen secretariats, including tasking a group of secretariats to come up with ideas and developing a 'best practice' manual.
- 3.20. Caution was urged against a 'one size fits all' approach.
- 3.21. Senior Officials also noted the importance of strong operations, governance and accountability mechanisms for Councils, including effective annual work plans and annual reports, the timely provision of papers, and effective project management and monitoring.
- 3.22. It was noted in these discussions that operational changes are less effective over time without structural change.

Principles	Indicators of Council Achievement	Contributing Capabilities of Secretariats
Responsiveness	❖ Councils and the system as a whole deliver effective, innovative and agile	❖ Good grasp of policy issues
	responses to issues of strategic national importance	❖ Good understanding of stakeholder base and issues
	Requirements and expectations of stakeholders, and the implications of	
	emerging challenges are understood by Councils	
Capacity	* Councils can identify emerging complex policy issues, and can develop, evaluate	Mid-range forecasting and analysis skills
	and act on long-term implications	 Strong policy analysis and development skills
	❖ Organisational capacity is sufficient to achieve clearly articulated objectives and	 Strategic planning skills
	outcomes	❖ Good understanding of stakeholder base and issues
	❖ All relevant stakeholders are represented	
Effective	Support structures effectively contribute to the achievement of nationally	❖ Strong co-ordination skills
operation	significant outcomes	 Strong agenda-setting skills
	❖ Agenda-setting is clear and focused on priorities	 Strategic planning skills, especially in relation to
	❖ Objectives and outcomes are clear and measureable	outcomes
	❖ Achievements are tangible and significant	❖ Project management skills
Efficiency	Results and benchmarks are indentified and resources used are regularly	❖ Strategic planning skills
	reviewed and evaluated in line with results	
	Results are delivered without unnecessary duplication of effort	
	Synergies are developed	
Good governance	Strong governance arrangements are in place for Councils and for the system as	❖ Use of strong governance documentation
	a whole	❖ Use of strong stakeholder communication strategies
	 Outcomes and decisions can be scrutinised by stakeholders 	and tools

Figure 12: Indicators for Council achievements and contributing capabilities of secretariats

3.23. The Review puts forward proposals on both structural and operational change.

Structural Reform of Secretariats

- 3.24. A decision on how improvements to secretariats could be realised depends to some degree on the extent of structural reform to Councils themselves. The primary principles are that such improvements should improve the capacity of Councils to support the work of COAG and that they should improve efficiency.
- 3.25. The Review puts forward two structural options in relation to secretariats which respond to different priorities. The judgment made on these priorities will determine which approach is taken to secretariats within the Ministerial Council system.

Option 1: A Single Independent Secretariat

- 3.26. COAG's strategic priorities change over time, and at times unpredictably. Whether priority reform work is undertaken by an ongoing body (such as a Standing Council) or a purpose-built body (such as a Select Council), this work will not always fall within even broad portfolio boundaries. The duration of such work will vary.
- 3.27. There are a number of emerging issues, such as climate change adaptation and the ageing of the population, and current issues, such as emergency management, infrastructure and Indigenous reform, that require responses that are beyond portfolio-based Councils.
- 3.28. Effective cross-portfolio support for the range of Councils that may be required cannot be conjured up overnight. Professionalism and strategic capacity in a secretariat cannot be called up at will.
- 3.29. As Ministers and senior officials already work with a complex array of secretariats within and outside their own portfolio areas and departments, Ministers (Council Chairs) could readily adapt and work with the new single secretariat arrangement.
- 3.30 Effective and efficient operational support may therefore best be provided by a single continuous secretariat.

3.31. The professional, independent model provided by the COAG Reform Council (CRC) is ideally suited to meeting the demands of a mix of Standing and Select bodies that are responding to changing and often cross-portfolio priorities.

Option 2: Council-Specific Secretariats

- 3.32. An alternative proposal is that in order for Ministers to respond effectively to priorities agreed with COAG, Ministers need to work closely with their officials and secretariats. There is a level of trust and confidence that is built up over time. There is also a high level of knowledge that secretariat staff require in order to support Ministers efficiently.
- 3.33. While current reform priorities are being implemented by a range of Councils, many of which have professional, independent and high-performing secretariats, such as for education and health, some Councils find a secretariat housed by the department of the Chair more effective for progressing reforms.
- 3.34. Where it is considered that a Chair's relationship with the secretariat is of utmost importance, the most appropriate way of structuring secretariats may be to leave the decision to the Councils themselves.

Operational Reform of Secretariats

- 3.35. The Terms of Reference ask that the Review take into account the responsiveness and accountability of Ministerial Councils to COAG including administrative efficiency and transparency of their operations, and measures to improve the efficiency and effectiveness of Ministerial Council arrangements.
- 3.36. On the basis of the consultations and responses to its questionnaire, the Review makes a number of observations on the contribution that operational aspects of Councils can make to their effectiveness.

Features that Appear to be Neutral

- 3.37. The Review has found that some key features of Councils do not appear to confer an advantage in terms of operational effectiveness:
 - the number of members on the Council;

- the number of its sub-committees or working groups;
- the breadth of focus of the Council;
- the number of meetings; and
- whether the secretariat is Commonwealth- or State-based.
- 3.38. What matters more is whether the members have a common strategic focus and that this drives the number of meetings, and whether the sub-committees and working groups directly support the strategic focus, and have clear terms of reference, deliverables and timeframes.

Features that Confer an Advantage

- 3.39. The Review has found that Councils display a number of features that appear to confer a strong advantage in terms of operational effectiveness:
 - adopting mechanisms that build stakeholder ownership, such as rotating
 Chairs (especially if they were to do so every two years), broad stakeholder
 input targeted to outputs, and structured opportunities for information sharing
 between Ministers;
 - fixed secretariats;
 - adequate resourcing;
 - strong governance and procedural documentation;
 - project management skills within secretariats;
 - senior officials meetings after Council meetings to progress decisions;
 - back-to-back meetings of related Councils;
 - feeding the outcomes of Council reviews into Council directions rather than just into administration and procedures;
 - concluding the work of sub-committees after clear objectives have been reached; and
 - having a strong role for Departmental Chief Executives such as in chairing sub-committees and working groups.
- 3.40. There appears to be a strong relationship between adequate resourcing of Councils and with high levels of stakeholder ownership, perceived effectiveness of operations and perceived value of Councils' outputs.

3.41. The Review has found also that where operational budgets (and project budgets where Councils have them) are based on a cost-sharing formula, this correlation is enhanced.

Features that Confer Disadvantage

- 3.42. The Review has found that Councils display a number of features that appear to confer a disadvantage in terms of operational effectiveness:
 - work plans that do not include clear, measurable objectives, outputs and timeframes;
 - not having a work plan;
 - overly time-consuming means of communicating with other Councils;
 - rotating secretariats as losses in efficiency and effectiveness outweigh gains in stakeholder buy-in;
 - poorly structured agendas and too many standing items;
 - limited perception of stakeholder interest reflected in lack of transparency and publicly available information;
 - inadequate resourcing; and
 - a focus on process rather than outcomes.

Operational Guidance in the Ministerial Councils Compendium

- 3.43. The *Commonwealth-State Ministerial Councils Compendium* comprises the 'Broad Protocols for the Operation of Ministerial Councils' and the 'General Principles for the Operation of Ministerial Councils'.
- 3.44. These two documents cover similar areas and could broadly be seen to address a range of systemic or more general issues and operational issues.
 - Systemic or more general issues include: the purpose of the documents, the
 role of Councils, COAG requirements, other external relations, legislative
 responsibilities, the permanence of secretariats, decision-making, meetings of
 senior officials, rotation of Chairs, Council agendas, use of technology, out of
 session arrangements and reviews of Councils.
 - The operational issues include: record keeping, location and timing of meetings, and the provision of meeting papers.

3.45. There is significant overlap between the two documents and confusion between systemic and operational matters. The documents are inputs-oriented and do not provide guidance on the parameters of efficiency or effective performance in relation to outcomes.

- 3.46. The findings cited above show that the approaches recommended in the Compendium documents are not universally followed. Moreover, it is possible for a Council and its secretariat to comply with all the requirements in both documents and still the secretariat could be providing less than optimal operational support to the Council. The Review sees this as due to the lack of an outcomes focus.
- 3.47. The Review believes the 'Broad Protocols for the Operation of Ministerial Councils' and the 'General Principles for the Operation of Ministerial Councils' should be reviewed to eliminate duplication and provide an outcomes focus. This should take into account the findings cited above on operational effectiveness. The two documents should be amalgamated and rationalised to eliminate the duplication and streamline the minimum operating requirements for Councils. This process is highly desirable regardless of the decision that is made on structural reform to the system.
- 3.48. If Option 1 is adopted in relation to structural reform of secretariats (a single independent secretariat), the parameters of best practice operations should form a key part of the establishment of the body.
- 3.49. If Option 2 is adopted (Council-specific secretariats), a small group of executives from high performing secretariats should be convened to provide advice on, or templates for, best practice in relation to the parameters of Council reviews and the operational requirements that underpin them.
- 3.50. These might include Council governance and procedural documentation, agenda development and management, financial procedures, project management and Regulatory Impact Statement (RIS) requirements.
- 3.51. They could be provided to other Ministerial for outside the purview of COAG to improve their operational effectiveness.
- 3.52. On an ongoing basis, there may be information that Councils themselves can improve, such as updating their details on a central website.

Transparency

- 3.53. While it is a separate question to Council effectiveness, transparency of Council decision-making is poor.
- 3.54. Consideration might therefore be given to how to remedy this. As a minimum the COAG website needs fundamental redesign and dedicated resources to get it up to speed as a portal for communication.⁸⁹
- 3.55. A best practice guide in the publication of material and website design could also be developed.
- 3.56. In light of the crucial move to an outcomes-based system under the IGA for Federal Financial Relations, communication of outcomes, as well as objectives, milestones and progress, in non-bureaucratic language is essential. It is necessary for citizens' access to and understanding of how governments are working towards better outcomes for the community. It is also a key plank in improving Councils' operations, as transparency supports greater accountability and improved performance.

Improving Strategic Policy Responses and Reducing Duplication

- 3.57. By redesigning the COAG website to give greater prominence to current COAG priorities, the capacity of Ministerial Councils to plan strategically and develop agendas that align more closely with these priorities would be improved.
- 3.58. In addition, an enhanced interface for Ministerial Councils to communicate with each other and track other Councils' activities would assist Councils to identify opportunities for collaboration and also reduce work duplication.

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⁸⁹ '...steps have been taken in recent years to release more information about the decisions of ministerial councils and to provide a measure of accountability for performance within the ministerial council system itself. These arrangements are still somewhat patchy, however, and the COAG website, on which available information appears, is still off the beaten track of sources about government and law. As a result, it is difficult to follow policy initiatives that involve a ministerial council process, and impossible to sheet responsibility home for failure to reach agreement where cooperation is necessary or appropriate.' Saunders, Cheryl, op. cit., p. 21.

Preparation of Regulatory Impact Statements

- 3.59. There is an opportunity to strengthen the compliance and transparency of regulatory impact assessment decisions taken by Ministerial Councils including through a focus on capacity building within secretariats.
- 3.60. Between 2000-01 and 2008-09, the Office of Best Practice Regulation and its predecessor, the Office of Regulatory Reform, received a total of 250 RIS from a range of regulatory bodies. 90
- 3.61. Of these, 198 were directly from 17 Ministerial Councils. Of these 198 RIS, 13 per cent were non-compliant. Only eight Councils were able to provide fully compliant RIS. Of the nine Councils that provided non-compliant RIS, the percentage of their RIS that were non-compliant ranged from 3 per cent to 100 per cent.
- 3.62. These figures are poor and should be improved. The OECD has also noted in relation to the preparation of regulatory proposals by Ministerial Councils, that their compliance and transparency has been inconsistent.⁹¹
- 3.63. As indicated above, any work undertaken to identify best practice in secretariat operations should include guidance on RIS preparation.
- 3.64. Any changes to the Ministerial Council system would need to consider the impact on compliance with COAG's best practice regulation guide, and whether the scope of the guide need be broadened.
- 3.65. COAG's Best Practice Regulation: A Guide for Ministerial Councils and National Standard Setting Bodies October 2007 (the Guide) currently refers to, 'Over 40 Commonwealth-State Ministerial Councils and other inter-governmental decision making fora [that] facilitate consultation and cooperation between the Commonwealth Government and state and territory and local governments in specific policy areas.'92

⁹² Department of Finance and Deregulation, *Council of Australian Governments: Best Practice Regulation:* A Guide for Ministerial Councils and National Standard Setting Bodies, October 2007, Department of Finance and Deregulation, Canberra, viewed 25 February 2010, [pto]

⁹⁰ PM&C analysis of Office of Best Practice Regulation and Office of Regulatory Reform 'Regulation and Its Review' and 'Best Practice Regulation' reports.

⁹¹ Organisation for Economic Co-operation and Development, op. cit.

- 3.66. If the number of Councils changes as a result of this Review, the Guide may need to be revised. The Guide also points out that, 'The principles of good regulatory practice and regulatory assessment requirements outlined in this Guide apply to decisions of COAG, Ministerial Councils and intergovernmental standard-setting bodies, however they are constituted. This includes bodies established by statute, or administratively by government, to deal with national regulatory problems. ⁹³
- 3.67. This suggests that rationalisation of Council numbers would not impact on the requirement for other inter-jurisdictional Ministerial for to comply with COAG's policy on best practice regulation.
- 3.68. COAG may wish to seek advice from OBPR on the merits of broadening its remit to review regulatory proposals from all inter-jurisdictional bodies to strengthen compliance if Council numbers are rationalised and/or Ministers continue to meet outside the COAG remit.

[note 93 cont'd] < http://www.finance.gov.au/obpr/docs/COAG best practice guide 2007.pdf. This Guide was updated in October 2007 following the updating of the *Competition Principles Agreement* in April 2007 and its signing by all governments.

⁹³ ibid., page 5

Chapter 4 - Costs of the Ministerial Council system

4.1. While a clear baseline cannot be established from the available data, analysis suggests that the Ministerial Council system costs approximately \$35 million per year to run (see Figure 13 below).⁹⁴

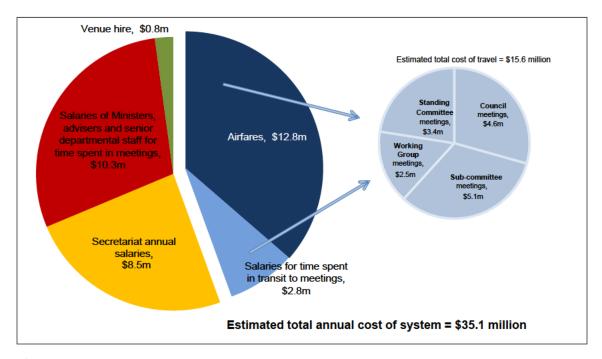


Figure 13: Estimated cost of the Ministerial Council system

- 4.2. This estimate is primarily based on the cost of attendance at Council meetings, cost of travel to attend face-to-face meetings and the cost of ongoing secretariat services.
- 4.3. Cost calculations are based on 68 Ministerial Council meetings a year and an assumed number of officials meetings.⁹⁵ It is assumed that on average, three staff members accompany Ministers to meetings. The number of secretariat staff and

⁹⁴ The costs have been derived from analysis of data provided by Councils on their operations in the Review questionnaire, advice from Department of Finance on on-costs and market costings for items such as travel.

⁹⁵ Ministerial Councils are supported by a complex system of subgroups comprising of standing committees, subcommittees and/or working groups. This substructure can play an important role in sustaining effective functioning Councils especially for those with broader scope. Questionnaire responses suggest that there are approximately 41 standing committees and 410 subcommittees/working groups.

- their level are derived from questionnaire responses. Cost estimates are independent of project costs.
- 4.4. A key driver of the total cost of the system is the travel costs, equivalent to \$15.6 million or 44 per cent of the total cost. Travel costs have been calculated to include the salary costs of attendees whilst in transit to meetings. Of this total, travel to attend sub-committee meetings account for the greatest cost, estimated to be \$5.1 million.

Use of TelePresence

- 4.5. The relatively recent commitment to increase the new TelePresence system has the potential to reduce the costs of the Ministerial Council system significantly, particularly for the smaller jurisdictions and Western Australia. 96, 97
- 4.6. By 24 February 2010, there will be at least one TelePresence unit operational in all capital cities except Sydney, either within Commonwealth Parliamentary Offices (CPO) in the States or with the Chief Minister in the Territories. There will be additional sites in Canberra. The units will be in the following locations:
 - Melbourne CPO (6-12 persons)
 - Brisbane CPO (6-12 persons)
 - Darwin CPO (2-4 persons)
 - Darwin NT Department of the Chief Minister (2-4 persons)
 - Perth CPO (6-12 persons)
 - Adelaide CPO (6-12 persons)
 - Hobart CPO (2-4 persons)
 - Canberra ACT Chief Minister's Department (2-4 persons)
 - Canberra PM&C (6-12 persons)
 - Canberra APH Room 7G004 (6 persons)
- 4.7. A number of Ministerial Councils already utilise teleconferencing to some extent and have further expressed an interest in video-conferencing. The new TelePresence system provides a significantly improved technological solution.

⁹⁶ This commitment was included in the July 2009 *National Partnership Agreement on Energy Efficiency*. See Council of Australian Governments, *National Strategy on Energy Efficiency*, op. cit.

⁹⁷ Users of the TelePresence Network incur overhead costs (already committed), rather than per-use fees.

4.8. The new national TelePresence system should be used to facilitate Ministerial Council discussions where possible. As the value of face-to-face meetings cannot be underestimated, these should be held up to twice per year.

International Comparison

4.9. A comparative analysis between the secretariat costs for the Australian system of Ministerial Councils and the Canadian system of intergovernmental conferences shows that the Australian secretariat costs are on par with the Canadian costs (see Figure 14 below).

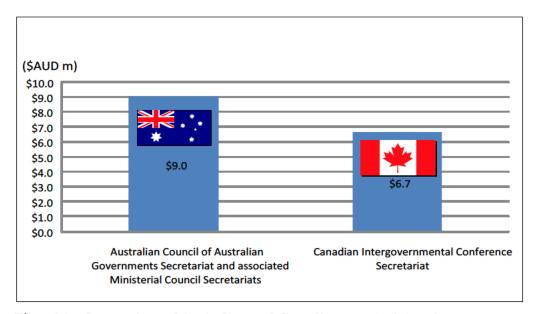


Figure 14: Comparison of Australian and Canadian secretariat costs

- The Canadian system comprises 110 to 120 intergovernmental conferences per year and its secretariat costs are AUD\$6.7 million. This covers administrative support services for meetings only, through a single secretariat.⁹⁸
- The Australian system comprises some 68 Council meetings and 94 officials'
 meetings per year (both of which are face-to-face), as well as 47 officials'
 meetings by teleconferences (not counting the sub-committee and working
 group meetings that are unlikely to be given direct secretariat support). These

⁹⁸ Canadian Intergovernmental Conference Secretariat, op. cit.

meetings are supported by 34 secretariats providing a range of administrative, project and policy services for a total cost of AUD\$8.5 million.⁹⁹

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 $^{^{\}rm 99}$ The comparison is made on 2009 costs.

Chapter 5 – Methodology

5.1. The Review was led by Dr Allan Hawke and supported by a secretariat located in the Department of Prime Minister and Cabinet. The Review comprised several components as detailed below.

Questionnaire

5.2. Initial consultation was undertaken through a questionnaire structured around several of the Terms of Reference. 100 101 This was sent to the Chairs and secretariats of all the Ministerial Councils included in the COAG Compendium of Ministerial Councils in July 2009. Responses were received from 39 of the 40 Councils.

Targeted consultations

5.3. Following analysis of the questionnaire responses, Dr Hawke consulted with 117 stakeholders including First Ministers, Ministerial Council Chairs, Commonwealth, State and Territory senior officials and other stakeholders. Where possible, Dr Hawke met face-to-face with stakeholders, but when this could not be arranged a teleconference was held. Consultations took place between September 2009 and January 2010. The diagrams on the following page (Figures 15 and 16) show the relative proportion of consultations conducted with key stakeholders by jurisdiction and by category.

Premiers and Chief Ministers

5.4. Dr Hawke invited all Premiers and Chief Ministers to meet with him and discuss their views on the Ministerial Council system and the improvements that could be made. Dr Hawke met with seven Premiers and Chief Ministers. A number of former Premiers were also consulted.

¹⁰⁰ The Questionnaire is at Appendix 9

¹⁰¹ The Terms of Reference are at Appendix 1.

¹⁰² A complete list of consultations is at Appendix 10.

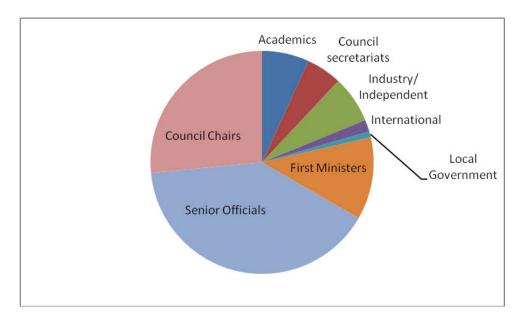


Figure 15: Stakeholder consultations by category

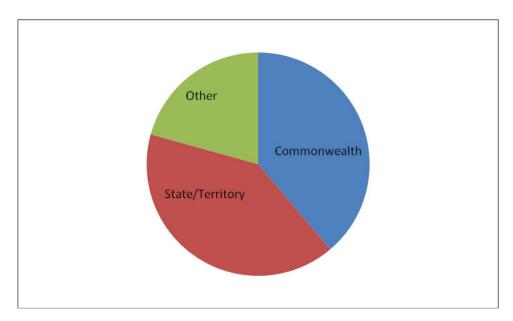


Figure 16: Stakeholder consultations by jurisdiction

Ministerial Council Chairs

5.5. All Ministerial Council Chairs were invited to meet with Dr Hawke to discuss their views on particular Councils and the broader Ministerial Council system. Dr Hawke held discussions with 18 Commonwealth Ministers and 13 State and Territory Ministers from September to November 2009.

COAG Senior Officials

- 5.6. Dr Hawke conducted initial consultation with jurisdictions' Senior Officials in Melbourne on 13 October 2009. Discussion was broad and provided an opportunity for officials to raise any issues of concern in the context of the Ministerial Council system and/or particular Councils. Those who attended are listed in the list of consultations. ¹⁰³
- 5.7. Subsequently, discussions were held individually with Heads of First Ministers' Departments and other interested senior officials.

Secretariats

5.8. While most input from secretariats was provided through the questionnaire, some secretariats were consulted. In particular, these included secretariats that had staff with long-standing experience of Ministerial Councils or those supporting several Ministerial Councils.

Overseas members

5.9. Dr Hawke invited overseas members including New Zealand and Papua New Guinea to meet with him and discuss their experience with particular Ministerial Councils. Several discussions were held with representatives of the New Zealand Government.

Academics and industry stakeholders

5.10. Dr Hawke also sought the expert advice of a number of academics and industry stakeholders with interest and/or experience of the Ministerial Council system.

Submissions

5.11. The Review did not seek written submissions. However seventeen written submissions were provided and these were considered as part of the Review.¹⁰⁴

¹⁰³ See Appendix 10.

¹⁰⁴ A list of submissions, unless confidential, is provided at Appendix 11.

Literature Review

- 5.12. Previous reviews of Ministerial Councils have been undertaken and the findings of these reviews provided useful insight into issues with the Ministerial Council system.
- 5.13. There is a large body of literature on Commonwealth-State relations and to some extent the Ministerial Council System. The Review has drawn on the findings of a number of stakeholders and academics with an interest in this field. 105

 $^{^{105}}$ A bibliography is provided at Appendix 12.

Appendices

Appendix 1: Terms of Reference

COUNCIL OF AUSTRALIAN GOVERNMENTS REVIEW OF MINISTERIAL COUNCILS TERMS OF REFERENCE

The Council of Australian Governments (COAG) has requested that a review of ministerial council arrangements be undertaken.

Scope of the Review

- 1. The reviewer will report and make recommendations to COAG on options for rationalising ministerial councils.
- 2. The reviewer will have regard to the following issues:
 - a. responsiveness and accountability of ministerial councils to COAG including administrative efficiency and transparency of their operations;
 - b. measures to improve efficiency and effectiveness of ministerial council arrangements;
 - c. the net benefits of streamlining some ministerial councils to align directly with National Agreements; and
 - d. the net benefits of streamlining remaining ministerial councils on the basis of strategic integration of issues outside those covered under the national agreements and to support efficient and effective decision making.
- 3. In undertaking the task, the reviewer will:
 - take into account the views of all ministerial council members including those from other countries such as New Zealand, as well as secretariats supporting the councils; and
 - b. have regard to the protocols and principles for the operation of ministerial councils, set out in the Council of Australian Governments' Commonwealth-State Ministerial Councils: Compendium.

Timing of Report by

1. The Reviewer will report to COAG, through Senior Officials, by November 2009.

[N.B. In November 2009, the Council advised that Dr Allan Hawke should report to COAG in March 2010.]

Appendix 2: Council Summaries and Recommended Fates under Option 2

Retain /Amalgamate			
1.	Administration of Justice, Ministerial Council on – Ministerial Council for Police and Emergency Management – Emergency Management		
2.	Administration of Justice, Ministerial Council on – Ministerial Council for Police and Emergency Management – Police		
3.	Attorneys-General, Ministerial Council of - Standing Committee of Attorneys-General		
4.	Education, Early Childhood Development and Youth Affairs, Ministerial Council on		
5.	Energy, Ministerial Council on		
6.	Environment Protection and Heritage Council		
7.	Federal Financial Relations, Ministerial Council for		
8.	Food Regulation Ministerial Council, Australian and New Zealand		
9.	Health, Ageing, Community and Disability Services Ministerial Council – Australian Health Ministers' Conference (incorporating the Australian Health Workforce Council and the Ministerial Conference on Ageing)		
	Health, Ageing, Community and Disability Services Ministerial Council – Community and Disability Services Ministers' Conference		
11.	Housing Ministers' Conference		
12.	Primary Industries Ministerial Council		
13.	Tertiary Education and Employment, Ministerial Council for		
	Transport Council, Australian		
15.	Workplace Relations Ministers' Council		
Apply a Sunset Clause			
	Attorney-Generals, Ministerial Council on – Ministerial Council for Corporations	Late 2010	
17.	Consumer Affairs, Ministerial Council on	2011	
18.	Gambling, Ministerial Council on	Mid-2010	
19.	International Trade, Ministerial Council on	Council of Australian Governments (COAG) to review ongoing need for Council in December 2011	
20.	Local Government and Planning Ministers' Council	Mid 2010	
21.	Murray-Darling Basin Ministerial Council	COAG to review ongoing need for Council in 2011, following finalisation of the Basin Plan	
22.	Tourism Ministers' Council	2014 or implementation of the National Long-Term Tourism Strategy	
Not Retain			
Continue Without Reference to COAG			
23.	Gene Technology Ministerial Council		
24.	24. Great Barrier Reef Ministerial Council		
Disband or Continue as a Ministerial Forum			
25.	. Administration of Justice, Ministerial Council on – Intergovernmental Committee of the Australian Crime Commission		
26.	Drug Strategy, Ministerial Council on		
27.	. Procurement and Construction Council, Australian		
Disband			
28.	28. Aboriginal and Torres Strait Islander Affairs, Ministerial Council for		
29.	, , , , , , , , , , , , , , , , , , ,		
30.	30. Cultural Ministers' Council		
31.			
32.	32. Mineral and Petroleum Resources, Ministerial Council on		
33.	33. Natural Resources Management Ministerial Council		
34.	34. Online and Communications Council		
35.	. Regional Development Council		
36.	5. Small Business Ministerial Council		
37.			
38.	38. Status of Women, Commonwealth, State, Territory and New Zealand Ministers Conference on the		

39. Wet Tropics Ministerial Council

Aboriginal and Torres Strait Islander Affairs, Ministerial Council for

Council background

The objectives of the Ministerial Council for Aboriginal and Torres Strait Islander Affairs are to:

- provide a forum for discussions on matters of national significance in the Indigenous affairs arena;
- provide strategic influence in setting national Indigenous policy direction;
- promote consistent and co-ordinated national approach to Indigenous affairs policy development and service delivery; and
- provide advice to COAG on nationally significant issues of Indigenous affairs in relation to policy and service delivery.

The Council has a rotating Chair and a permanent Secretariat that is located within the Western Australian Department of Indigenous Affairs.

The Commonwealth and all States and Territories are full members, while the Torres Strait Regional Authority and the Australian Local Government Association (ALGA) are non-voting members. New Zealand has observer status at meetings. Decisions are made by majority vote.

Review findings

Although Indigenous policy is an important national priority, the Council has not had much involvement in the Closing the Gap Indigenous reforms, as COAG has primarily directed this work to the COAG Working Group on Indigenous Reform (WGIR). The Council has taken on an advisory role to COAG on issues that have major cross-portfolio implications and to WGIR in regards to service delivery to Indigenous people and strengthening Indigenous corporate governance.

Stakeholders have raised concerns that the Council may not have the necessary authority to influence policy at the jurisdictional level, limiting the Council's effectiveness.

It was suggested that a mainstream approach could be better suited to Indigenous policy, instead of responsibility falling to a single Council. This is somewhat in line with the direction that the Council has already begun to take in engaging with other Ministerial Councils. There was a roundtable meeting in November 2009 between Indigenous Affairs Ministers, Attorneys-General and other relevant parties, on issues of Indigenous Family and Community Safety. The Council itself has stated that this approach could be applied to other Indigenous key areas such as health, housing, education, early childhood, economic participation and remote service delivery.

It is noted that the National Congress of Australia's First Peoples, the new national Indigenous representative body, is expected to be established in January 2011. There would be potential for Indigenous Ministers to collaborate with this new body when it comes into being.

New Zealand has identified value in its involvement in this Council. Maintaining engagement with New Zealand on Indigenous matters would be of benefit to communities in both nations.

Legislative or other Governance responsibilities

None identified

Current COAG-related work

None identified

Recommendation

This is a more complex case given the centrality of Indigenous reform to the government's current policy agenda. A decision on the fate of this Council should therefore be left to COAG.

It is recommended that the WGIR continue to co-ordinate the Closing the Gap reform agenda. To better integrate Indigenous policy with other key areas, the Review proposes two options.

As the Council does not have the clout to drive reform from the front, it might be disbanded in favour of continuing the process of mainstreaming Indigenous policy outcomes through health, education, housing and other relevant Councils. This is the preferred option.

Alternatively Council members could continue to meet as a Ministerial Forum on Aboriginal and Torres Strait Islander Affairs, and that this Forum:

- establish strong links with new National Congress of Australia's First Peoples when it comes into being in January 2011;
- as a priority develop a proposal for COAG that prioritises relevant 2020 Summit outcomes and

- outstanding items on the Ministerial Council on Aboriginal and Torres Strait Islander Affairs work plan; and
- work with relevant Councils and the National Congress to sharpen these into policy priorities with the intention of providing COAG with a basis for requiring certain Councils to address nationally significant Indigenous issues within a specific timeframe.

Administration of Justice, Ministerial Council on - Corrective Services Ministers' Conference

Council background

The Corrective Services Ministers' Conference is one of four Ministerial Councils that sit under the Ministerial Council on the Administration of Justice (MCAJ). Its purpose is to consider and deal with problems relating to both prison and community-based correctional issues.

The Council has a rotating Chair and a permanent Secretariat that is located within the Commonwealth Attorney-General's Department.

All States and Territories and New Zealand are members of the Council. The Commonwealth is not a member of the Council but is invited to attend meetings.

Review findings

The Council identified that when items for discussion at meetings do not require national consideration and action, the outputs of Council meetings can be significantly reduced. It also indicated difficulties in achieving a definitive agreement when commitment to funding is required.

The Council states that there is regular consultation and referral of matters between it and the Standing Committee of Attorneys-General (SCAG). During consultations, it has been suggested that the Council could be merged with SCAG.

While there is little justification for the Council to continue within the COAG Ministerial Council system, there is no clear consensus from stakeholders on an alternative. A sensible option might be for the Council to consider operating under the Council for the Australian Federation (CAF) system.

Legislative or other Governance responsibilities

None identified

Current COAG-related work

None identified

Recommendation

The Council should be disbanded. States and Territories might consider whether the CAF could oversee national corrective services issues. In cases where the Commonwealth has an interest, items of national significance in this policy area could be addressed through the Standing Committee of Attorney-Generals.

Administration of Justice, Ministerial Council on - Intergovernmental Committee of the Australian Crime Commission

Council background

The Intergovernmental Committee of the Australian Crime Commission was established on 1 January 2003. It is one of four Ministerial Councils that sit under the MCAJ. The Council functions as an advisory body for the Australian Crime Commission and has governance responsibilities for this body, as implied by section 9 of the *Australian Crime Commission Act 2002 (ACC Act)*.

The Commonwealth Minister is the permanent Chair of the Council, and the permanent Secretariat is located within the Commonwealth Attorney-General's Department.

The Commonwealth and all State and Territories are members.

Review findings

The Ministerial Council's agenda is generally small, with two standing items. It has been suggested in consultations that the work of the Ministerial Council could be undertaken by an officials group instead.

Legislative or other Governance responsibilities

Yes, but not referred to specifically in legislation. See Appendix 3.

Current COAG-related work

None identified.

Recommendation

The Ministerial Council could be replaced with an officials group.

Administration of Justice, Ministerial Council on - Ministerial Council for Police and Emergency Management - Emergency Management

Council background

The Ministerial Council for Police and Emergency Management – Emergency Management was established in 2003. It is one of four Ministerial Councils that sit under the MCAJ. Its objectives have evolved from its original targeted COAG-directed remit. Its present objectives are to:

- oversee the implementation of the Natural Disaster Reform Package;
- provide national leadership and strategic direction on emergency management (all hazards), including national policies and priorities; and
- encourage best practice in emergency management among jurisdictions.

The Commonwealth Attorney-General is the permanent Chair of the Council, with the permanent Secretariat being located in the Commonwealth Attorney-General's Department.

The Commonwealth and all States and Territories and New Zealand are members of the Council. Decisions are made by consensus.

Review findings

Many aspects of Emergency Management require the ability to influence work outside the existing mandate of the Council.

In recognition of this, COAG agreed at its 7 December 2009 meeting to a range of measures to improve Australia's natural disaster arrangements, including the establishment of a National Emergency Management Committee (NEMC) to replace the former Australian Emergency Management Committee. The new NEMC, which comprises officials from all levels of government, will have a broader mandate in relation to national emergency management policy coordination and capability development.

The NEMC has been tasked by COAG to develop a national disaster resilience strategy by the end of 2010. It will hold its first meeting in April 2010 and will report to the Council on matters within the Council's charter. The NEMC will also report to other Ministerial Councils as required, and to COAG.

The Council has indicated that it may revise its strategic priorities and goals once the NEMC has finalised its transition arrangements and future work plan. Several cases were cited where the Council has been slow to progress COAG-directed work.

New Zealand has identified value in its involvement in this Council.

The Chair of the Council declined an invitation to meet last year.

Legislative or other Governance responsibilities

None identified

Current COAG-related work

Links to COAG's Natural Disaster Arrangements reform agenda.

Recommendation

Emergency Management will be an ongoing national issue. Therefore this Council could continue but should refine its priorities in consultation with COAG.

Administration of Justice, Ministerial Council on - Ministerial Council for Police and Emergency Management - Police

Council background

The Ministerial Council for Police and Emergency Management – Police was established in 2006 and formerly known as the Australasian Police Ministers' Council from 1980. It is one of four Ministerial Councils that sit under the MCAJ. Its objectives are:

- further advancement of the professionalism of policing;
- identification of major policy issues and the provision of a forum for their debate;
- establishment of agreed positions on critical issues on the national law enforcement agenda; and
- appropriate participation in debates in the community on major law enforcement issues, as a means
 of raising the community's awareness and understanding of those issues, and of measures being
 implemented to address them.

The Council has a rotating Chair and a permanent Secretariat that is located in the Commonwealth Attorney-General's Department.

The Commonwealth and all States and Territories and New Zealand are members of the Council.

Review findings

In its Review questionnaire response, the Council implied that its agenda may not always include items that are of national interest, which reduces the number of significant outcomes at meetings. It also identified that at times it has difficulty reaching agreement as members are required to seek their Cabinet's endorsement for funding new initiatives.

Nevertheless, it is noted that the Council holds value for Ministers, as it is the only forum for the national coordination of law enforcement issues at the Ministerial level. It has been argued that Ministerial involvement is critical in law enforcement issues such as police powers, criminal offences and the sharing of intelligence, given that these issues often have implications for legislation and wider government policy.

The Council currently has COAG-directed work to undertake as outlined below. In some cases the Council is contributing to work with other Councils such as the Indigenous Community Safety Roundtable and Natural Disaster Arrangements.

The Chair of the Council declined an invitation to meet last year.

Legislative or other Governance responsibilities

None identified

Current COAG-related work

Tasked by COAG to report (by 1 July 2010) on a possible national registration or licensing system for the private security industry. It also has significant work to progress the national response to organised crime.

Recommendation

While there are indications that the Council has at times been slow to progress work, the Review recognises the importance of Ministerial involvement in cross-jurisdictional law enforcement coordination. A Council addressing Police and Emergency Services should be retained.

Attorneys-General, Ministerial Council of – Ministerial Council for Corporations

Council background

The Ministerial Council for Corporations was established in 1990 by the Corporations Agreement. The Council's objectives and functions were set out in this IGA and amended in 2002. The Council's principal function is the consideration of proposals for amendment of the *Corporations Act 2001* and related legislation. It also has a consultative function in relation to the appointment of members of various bodies.

The Commonwealth Minister is the permanent Chair of the Council, and the permanent Secretariat is located within The Treasury.

The Commonwealth and all States and Territories are members of the Council. Decisions are made by voting.

Review findings

The Council has a specific task of monitoring the legislative framework of the national scheme for the regulation of corporation and financial services. There was little comment on the Council's performance in this regard.

In addition to its core duties, the Council was tasked by the Business Regulation and Competition Working Group (BRCWG) to undertake work on Directors' Liability under the COAG National Agreement to Deliver a Seamless National Economy. The Council acknowledges that the BRCWG's report card on the implementation of this work states that it has been delayed. During consultations, it was advised that this work extends beyond the usual scope of the Council and could be better dealt with by Heads of Treasuries.

The Corporations Agreement has recently been used as a model for developing similar arrangements for national regulation in other policy areas – for example, consumer credit and business names – under the same above National Agreement. The Council expects to gain oversight responsibility for these areas once the legislative schemes are in place.

The Council's membership structure appears to have caused difficulties in progressing work items. The Commonwealth Chair is the Minister with portfolio responsibility for Corporate Law (entailing an economic focus), whereas the State and Territory members are Attorneys-General (entailing a regulatory focus).

Legislative or other Governance responsibilities

None identified

Current COAG-related work

Tasked with reporting to COAG in June 2010 on the progress of the reform of Directors' Liability, under the COAG *National Agreement to Deliver a Seamless National Economy*.

Recommendation

The Council should complete its tasks in relation to Directors' Liability reform (estimated to be in late 2010) and then be disbanded. As Corporate Law is the core business of the Commonwealth Minister for Corporate Law but not of jurisdictional Attorneys-General, work related to Corporations issues could be more usefully progressed by the Ministerial Council for Federal Financial Relations or the Business Regulation and Competition Working Group, with the Minister for Corporations Law and relevant State and Territory Ministers invited to attend meetings on an as-needed basis.

Attorneys-General, Ministerial Council on - Standing Committee of Attorneys-General

Council background

The Standing Committee of Attorneys-General was established in August 1961 in its present form; its predecessor was established in 1959. The Council:

- seeks to achieve uniform legislation in appropriate cases or to harmonise legislative and other action within the portfolio responsibilities of its members;
- oversees the national classification scheme for film and video, and for printed matter for participating jurisdictions (censorship); and
- has also been a forum for Ministers to explore non-legislative options for improvement of national law and justice including best practice models and voluntary guidelines.

The Council has a rotating Chair and a permanent Secretariat that is located within the New South Wales Attorney-General's Department.

The Commonwealth, all States and Territories and New Zealand are members. Norfolk Island has observer status at meetings.

Review findings

Although the Council has stated many achievements, the general view from consultations is that the Council has not achieved many substantive outcomes. Stakeholders have raised concerns over the difficulties in progressing issues through the Ministerial Council.

The Council indicates that it has made significant changes to its support structures, procedures and agenda, in response to reviews in the last two years.

Given the need for an inter-jurisdictional body overseeing the national legal system and constitutional issues, including across the range of issues covered by Ministerial Councils, there is a strong reason for the Council to continue. However, the Council would be expected to have a stronger focus on achieving outcomes aligned with COAG priorities.

Legislative or other Governance responsibilities

None identified.

Current COAG-related work

- Work related to the National Aboriginal Torres Strait Islander Safe Communities Strategy under the *National Indigenous Reform Agreement*, being undertaken in 2010 in close consultation with the COAG Working Group on Indigenous Reform.
- Work related to the national regulation of trustee corporations and establishing a national personal property securities system (including the *Personal Property Securities Law Agreement 2008*) under the COAG *National Partnership Agreement to Deliver a Seamless National Economy*.
- Work on National Legal Profession reform.

Recommendation

The Council has a necessary role in the overseeing the national legal system and constitutional issues. The Council should therefore be maintained, but it should ensure a more performance-driven, strategic agenda by establishing better links to COAG and other Ministerial Councils.

Consumer Affairs, Ministerial Council on

Council background

The objectives of the Ministerial Council on Consumer Affairs are to discuss consumer affairs matters; to agree on matters of national priority; and, where possible, to develop uniform approaches (including uniform legislation).

The Council has a rotating Chair and a permanent Secretariat that is located within The Treasury.

The Commonwealth, all States and Territories and New Zealand are members of the Council. Decisions are made by consensus.

Review findings

There were mixed findings from the consultations. New Zealand has identified value in its involvement in this Council.

The Council has a key role in the work related to implementing the July 2008 COAG decision on national consumer credit regulation.

It is noted that the Ministerial Council for Uniform Credit Laws is an offshoot of the Ministerial Council on Consumer Affairs, though governance arrangements are not formally described.

Legislative or other Governance responsibilities

None identified

Current COAG-related work

Finalisation of a number of regulatory reforms under the COAG National Partnership Agreement to Deliver a Seamless National Economy.

Recommendation

The Council has work to progress under the *National Partnership Agreement to Deliver a Seamless National Economy*, which is estimated to be completed in 2011. Following completion of this work, the Council should be disbanded.

Cultural Ministers' Council

Council background

The objectives of the Cultural Ministers' Council are: to provide a forum for cooperation and coordination between the Commonwealth, State, Territory and New Zealand Governments on matters relating to the development of the arts and culture; and to facilitate activities that will provide cultural benefit to citizens of Australian States and Territories and New Zealand.

The Council has a rotating Chair and a permanent Secretariat that is located within the Commonwealth Department of the Environment, Water, Heritage and the Arts.

The Commonwealth, all States and Territories and New Zealand are members of the Council. Papua New Guinea. Norfolk Island and the Australian Local Government Associations are invited as observers.

Review findings

The Council broadly states that it has achieved outcomes on cross-policy topics, such as education and Indigenous-related work. Review consultations on the achievements of this Council were mixed. Strategic reviews feed into the Council's objectives and the Council has adopted several worthwhile strategies in its operations, such as having a handbook and disbanding working parties when work finishes. New Zealand has identified value in its involvement in this Council.

On the other hand, stakeholders have pointed out that for a number of jurisdictions, the Ministry for the Arts is a portfolio responsibility of the First Minister. It has been stated that often First Ministers will delegate meeting attendance to Assisting Ministers or officials, with the resultant high turnover providing little opportunity to develop effective relationships between jurisdictions.

Legislative or other Governance responsibilities

None identified

Current COAG-related work

Developed the *National Arts and Disability Strategy* in October 2009, which is linked to the *National Disability Strategy* under the COAG *National Disability Agreement*.

Recommendation

The Council could be disbanded. Ministers could, however, continue to meet without ongoing reference to COAG. As Indigenous-related work is a priority for the Council, it may benefit from engagement with Indigenous Ministers.

Ministerial Council on Drug Strategy

Council background

The Ministerial Council on Drug Strategy was established in 1985. Its objectives are to:

- provide a mechanism for regular consultation between Australian Government and State and Territory Health and Law Enforcement Ministers on programs and policies relating to licit and illicit drugs in Australia;
- promote a consistent and coordinated national approach to policy development and implementation in relation to all drug issues; and
- consider matters submitted to the Council by members.

The Council has a rotating Chair and a permanent Secretariat that is located within the Commonwealth Department of Health and Ageing.

The Commonwealth and all States and Territories are members of the Council; New Zealand is an observer at Council meetings.

Review findings

While the Council's work is generally not directed by COAG, stakeholders expressed that the Council has been a good forum for bringing together Health Ministers and Police Ministers. There have been examples where this arrangement has proved effective in advancing policy initiatives.

However, the Council concedes that at times, urgent and politically sensitive items are progressed outside of the Council. Moreover, it can sometimes be difficult to reach agreement on national approaches to drug strategy policy. This has at times slowed progress towards achievement of COAG-directed tasks.

The Council recognises that there is potential to enhance links with other Ministerial Councils and areas

of government on cross-cutting issues such as liquor licensing and mental health.

Some stakeholders have suggested that the Council's work could largely be dealt with by officials or Ministers through teleconferencing, though this view is contended.

Legislative or other Governance responsibilities

None identified

Current COAG-related work

Report on binge drinking was submitted to COAG in November 2009 for future COAG consideration

Recommendation

The work of the Council could be continued by officials. Ministers could meet as required without ongoing reference to COAG.

Education, Early Childhood Development and Youth Affairs, Ministerial Council on

Council background

The Ministerial Council on Education, Early Childhood Development and Youth Affairs (MCEECDYA) was created on 1 July 2009, from the realignment of two previously existing Councils by COAG agreement. The aim of the realignment was to better reflect the COAG Reform Agenda. MCEECDYA's predecessor was the Ministerial Council for Education, Employment, Training and Youth Affairs (MCEETYA). The Ministerial Council works closely with the Ministerial Council for Tertiary Education and Employment (MCTEE) – the other Council established under that decision.

Functions of the Council include:

- coordination of strategic policy at the national level;
- negotiation and development of national agreements;
- negotiations on scope and format of national reporting;
- sharing of information and collaborative use of resources; and
- coordination of communication with, and collaboration between, related national structures.

In the spirit of closing the gap for Indigenous Australians, a key objective of the Council with MCTEE will be to improve education and employment outcomes for Indigenous Australians.

The Council has a rotating Chair and a permanent, independent Secretariat located in Melbourne.

The Commonwealth, all States and Territories and New Zealand are members of the Council. Papua New Guinea, Norfolk Island and East Timor have observer status at meetings. Decisions are made by voting.

Review findings

The Council has a large, reform-focused agenda that is significantly COAG-directed or COAG-related. Since December 2007, Council (and previously as MCEETYA) has met frequently – six times per year.

The Council identified that its complex, cross-portfolio responsibilities present a challenge for meeting arrangements and decision-making.

Early childhood development is a COAG priority that now has a forum through the creation of this Council. However, stakeholders had varying views on whether this topic is receiving the focus it requires, due to the Council's full agenda. It was noted that the remit around this topic is a challenge, as it resides in multiple Councils.

It has also been indicated that some Ministers have little interest in Youth Affairs.

Although a New Zealand representative has stated that New Zealand found MCEETYA meetings 'very useful for sharing experience and knowledge', the relevance of the Council's agenda for New Zealand has been questioned in consultations.

Legislative or other Governance responsibilities

Yes, governance responsibilities for the Australian Curriculum, Assessments and Reporting Authority (ACARA). See Appendix 3.

Current COAG-related work

- Tasked by COAG to develop a National Curriculum (for COAG sign-off in 2011)
- Responsible for monitoring and/or implementation of a number of aspects arising from:

- National Agreements on Education;
- National Indigenous Reform Agreement;
- o National Partnership Agreement on Early Childhood Education;
- National Partnership Agreement on Low Socio-economic Status School Communities;
- o National Partnership on Smarter Schools: Improving Teacher Quality
- o National Partnership on Smarter Schools: Literacy and Numeracy
- National Partnership on Youth Attainment and Transitions (in conjunction with MCTEE);
- Closing the Gap: National Partnership Agreement on Indigenous Early Childhood Development
- Responsible for elements of: National Early Learning Framework; National Early Childhood Development Strategy; and Indigenous Education Action Plan.

Recommendation

The Council has an important reform focus which it will need time to address. The Council needs time to prove itself in the context of its new role, particularly in relation to Early Childhood Development and cross-over with MCTEE.

In line with recommendations on the Ministerial Council for Aboriginal and Torres Strait Islander Affairs, MCEECDYA should maintain engagement with Indigenous Ministers to progress COAG's Closing the Gap reform agenda.

Energy, Ministerial Council on

Council background

The Ministerial Council on Energy was established in 2001. Its objectives are to provide:

- national oversight and coordination of policy development to address the opportunities and challenges facing Australia's energy sector into the future; and
- national leadership so that consideration of broader convergence issues and environmental impacts are effectively integrated into energy sector decision-making.

The Commonwealth Minister is the permanent Chair of the Council. The Council has a permanent Secretariat that is located within the Commonwealth Department of Resources, Energy and Tourism.

The Commonwealth and all States and Territories are members of the Council, though Western Australia and the Northern Territory have observer status on decision-making relating to the national energy market.

New Zealand, Norfolk Island and Papua New Guinea have observer status on the Council.

New Zealand has full membership and voting rights when Trans Tasman Mutual Recognition Arrangement issues are being considered.

Decisions are made by consensus.

Review findings

The Council currently has responsibility for approval of the legislative and regulatory framework of the national energy market, as set out in legislation and in the COAG *Australian Energy Market Agreement* amended in July 2009. The Council has governance responsibilities for the Australian Energy Market Commission, and to a lesser extent, the Australian Energy Regulator and the Australian Energy Market Operator (AEMO).

The Council has a full agenda. Continuing work of the Council includes establishing effective arrangements for the national electricity and gas markets. This is an on-going program with major reforms still to be completed including industry structure and removal of retail price regulation. In addition, the Council is undertaking work to ensure that the electricity sector, in particular, is responsive to climate change. Major achievements include the establishment of the national electricity market and more recently, the establishment of AEMO, on 1 July 2009.

Energy efficiency has been identified by both COAG and the Council as an important priority. At its 9 July 2009 meeting, COAG agreed to the *National Partnership Agreement on Energy Efficiency* and established a Commonwealth-chaired Senior Officials Group on Energy Efficiency (SOG-EE) to oversee the implementation of the *National Strategy on Energy Efficiency* (NSEE). SOG-EE is acting as an

interim governance arrangement pending the outcomes of this Review.

The Council recognises that opportunities for energy efficiency measures extend to diverse areas including tax policies, transport, planning, local government, innovation and science. As such, within each jurisdiction, there is no single Minister whose portfolio encompasses all areas of energy efficiency. Stakeholders identified that currently in the energy efficiency space, 'it seems no one is clear who has the lead'. There are various Councils trying to 'carve out their roles' in regards to this, including the Australian Transport Council, the Building Ministers' Forum, the Environment Protection and Heritage Council (EPHC) and the Local Government and Planning Ministers' Council. The Council identified that its work on the National Framework on Energy Efficiency (an initiative that is specific to this Council) has been limited by uncertainty regarding which body should have lead responsibility for national building energy efficiency policy.

The Council has submitted that its track record in policy delivery and its existing connections and responsibilities in relation to the national energy market, mean that it should have primary responsibility for national energy efficiency policy and measures (given it is jointly or wholly responsible for 17 of 23 NSEE measures).

Some stakeholders have questioned whether the Council's focus is consistent with whole-of-government objectives in energy efficiency policy.

New Zealand has identified value in its involvement in this Council.

Legislative or other Governance responsibilities

Yes, governance responsibilities in the Australian energy market. See Appendix 3.

Current COAG-related work

- Tasked with providing a final report on electricity prices to COAG in early 2010.
- Responsible for implementing numerous measures under the *National Strategy on Energy Efficiency* under the 2009 COAG *National Partnership Agreement on Energy Efficiency*.
- Governance responsibilities and policy oversight and leaderships of the COAG *Australian Energy Market Agreement*, as amended in July 2009.

Recommendation

The Council has an important ongoing policy and governance role in the energy market, as well as responsibilities related to the delivery of certain measures under the NSEE. It is noted that COAG will need to consider the ongoing overseeing arrangements for the NSEE.

Environment Protection and Heritage Council

Council background

The EPHC was created by COAG in 2001 from the amalgamation of the National Environment Protection Council (NEPC) and other bodies. The Council's objective is to ensure the protection of the environment and heritage of Australia and New Zealand in order to enhance social, human health and economic and environmental outcomes in a sustainable manner for current and future generations.

Under the Council, the statutory functions of the NEPC continue. These functions are established by the NEPC Acts of the Commonwealth and the States and Territories. The objectives specified in the *Natural Environment Protection Council Act 1994* (CW) are, by means of the establishment and operation of the National Environment Protection Council:

- to ensure people enjoy the benefit of equivalent protection from air, water or soil pollution and from noise, wherever they live in Australia; and
- decisions of the business community are not distorted, and markets are not fragmented, by variations between participating jurisdictions in relation to the adoption or implementation of major environment protection measures.

The Commonwealth Minister is the permanent Chair of the Council. The Council is serviced by the NEPC Service Corporation, which is an independent and permanent Secretariat located in Adelaide.

The Commonwealth, all States and Territories and New Zealand are members of the Council. Papua New Guinea and the ALGA have observer status at meetings. Decisions are made by consensus.

Review findings

There is a strong link between the Council's work and the NEPC objectives, with the NEPC playing a large role in producing Council's stated outcomes.

The complex, cross-policy nature of environment issues has meant that a number of the Council's achievements have been undertaken in conjunction with the other Ministerial Councils. Stakeholders have identified that there is duplication with the Natural Resource Management Ministerial Council (NRMMC) and notable overlap in membership with other Ministerial Councils. It has been stated that the topic of energy efficiency is shared between the EPHC and the Ministerial council on Mineral and Petroleum Resources, among others.

During consultations, it was stated that in the past, the Council has not been seen as central to decision-making. However, the Council has recently been involved in COAG-directed work on fuel efficiency, marine planning and biodiversity. It has been asserted that the Council is the appropriate forum to progress this work.

New Zealand has identified value in its involvement in this Council.

Legislative or other Governance responsibilities

The Council itself is not named in legislation but its Secretariat and NEPC has legislative responsibilities. See Appendix 3.

Current COAG-related work

- Development of a National Waste Policy, under the COAG *National Partnership Agreement to Deliver a Seamless National Economy*.
- Provides advice and makes recommendations on chemicals and plastics policy as stated in the *Memorandum of Understanding for Chemicals and Plastics Regulatory Reform 2009*, also under the COAG National Partnership Agreement to Deliver a Seamless National Economy.

Recommendation

The Council will have a role in progressing COAG-directed work and should continue to perform its governance responsibilities. In line with the Review's recommendation on the NRMMC, the Environment Protection and Heritage Ministerial Council may also take on some of the roles that were previously fulfilled by the NRMMC.

Federal Financial Relations, Ministerial Council on

Council background

The Ministerial Council for Commonwealth-State Financial Relations was renamed the Ministerial Council for Federal Financial Relations with the commencement of the *Intergovernmental Agreement on Federal Financial Relations* on 1 January 2009. The authority, objectives and functions for this Ministerial Council are set out in the Intergovernmental Agreement (clause 29 and Schedule A), including:

- the general oversight and reviewing of the operation of the Intergovernmental Agreement on behalf of COAG;
- an ongoing role in monitoring the maintenance of reforms in the Intergovernmental Agreement and in making recommendations to COAG;
- the oversight of the operation of the Goods and Services Tax;
- development and oversight of a new National Performance Reporting System;
- monitoring compliance with the Commonwealth's undertakings with respect to financial support to the States and Territories;
- considering funding adequacy under the Intergovernmental Agreement; and
- considering ongoing reform of federal financial relations.

The Commonwealth Minister is the permanent Chair and the permanent Secretariat is located within The Treasury.

The Commonwealth and all States and Territories are members, with all Council decisions being made by unanimous decision.

Review findings

The Council operated effectively in setting up the new federal financial relations framework in 2008 and has been identified in consultations as being 'indispensible' to this new framework. The Council has stated that a challenge going forward will be to ensure that the outcomes intended from the new framework, such as better service delivery and reforms, are delivered by States and Territories.

Stakeholders have emphasised the key role of First Ministers, Treasurers and central agencies in driving reform and ensuring a whole-of-government approach. The Ministerial Council has played a part in progressing work items of line agencies.

There is significant future work on the Council' agenda: COAG has recently tasked the Council with undertaking a review of the IGA on Federal Financial Relations and the associated National Agreements and National Partnership Agreements; and likely work arising from the review of 'Australia's Future Tax System'.

The promotion of the role of Treasurers is also reflected in their direct involvement in the COAG process and their attendance at COAG meetings since 2008. COAG agreed in April 2009 that this arrangement should continue.

In line with Review recommendations regarding other Councils, immigration and problem gambling should be transferred to this Council to address as required. Following completion of its work on directors' liability reform currently being undertaken by the Ministerial Council for Corporations, Corporations issues could also be transferred to this Council on an as needs basis

It is noted that like COAG, the Ministerial Council on Federal Financial Relations may benefit from a review of its strategic national priorities to address the risk of overload.

Legislative or other Governance responsibilities

None identified.

Current COAG-related work

- Tasked by COAG to develop a housing supply and affordability reform agenda and timetable for consideration by COAG (in the first half of 2010).
- Tasked by COAG to report on the Performance Reporting Framework in 2010 and 2011.
- Work on licensing of tradespeople under the *National Partnership Agreement to Deliver a Seamless National Economy*.
- Responsibility for the operation of the IGA on Federal Financial Relations.

Recommendation

The Council will continue to have an important role in ensuring the delivery of the reform agenda and other outcomes intended from the new federal financial relations framework. In addition, the Council could expand its role to take on a broader economic remit. For example, where there is a national reform imperative, it may at times address issues such as Climate Change, Immigration, Gambling and Corporations.

In these instances, relevant line Ministers could attend Council meetings in the same way that Treasurers are invited to COAG.

Food Regulation Ministerial Council, Australian and New Zealand

Council background

The Australian and New Zealand Food Regulation Ministerial Council was established in its current form in 2001; it was formerly called the Australian and New Zealand Food Standards Ministerial Council. A body responsible for food regulation was established approximately 30 years ago. The Council's objective is the development of domestic food regulatory policy including the promotion of harmonised domestic food standards between States and Territories and between domestic standards and export standards.

The Commonwealth Parliamentary Secretary for Health is the permanent Chair of the Council. The permanent Secretariat is located within the Commonwealth Department of Health and Ageing. The Commonwealth, all States and Territories and New Zealand are members of the Council. Decisions are generally made by consensus. However, requests in relation to reviews of draft food standards are

carried by a majority vote where members are unable to agree by consensus. (These new voting arrangements were agreed by COAG in April 2009). Each jurisdiction has one vote with a lead Minister representing a whole of jurisdiction view.

Review findings

During consultations, it was acknowledged that the Council is important and does 'real things'. It has governance responsibilities over Food Standards Australia New Zealand (FSANZ), which is a health portfolio agency that operates under the *Food Standards Australia New Zealand Act 1991*. The Council has a key role in administering this legislation, including reviewing draft food standards put to it by FSANZ.

However, stakeholders nominated various areas for improvement.

The Council was tasked by the BRCWG with the implementation of a number of food regulation reform areas, yet a BRCWG report states that achievement of implementation milestones has been delayed. Numerous stakeholders have identified that the composition of membership is problematic.

- In 2002, the Council extended its membership of Health Ministers to include Primary Industries and Consumer Affairs Ministers. Stakeholders have suggested that the objectives of the latter Ministers may compete with those of the Health Ministers.
- The Commonwealth Parliamentary Secretary for Health chairs the Council, but a Commonwealth Cabinet Minister also attends. It has been suggested that only one Commonwealth Minister should be responsible for food.

A New Zealand representative has stated that as a partner in the joint food regulatory system, it is essential for New Zealand to participate in the Council, given its status under the Australia New Zealand Food Treaty and its regulatory impact. New Zealand has expressed concerns that there is only one New Zealand member (with one vote) on the Council dominated by Australian Ministers.

The voting arrangements of the Council have received criticism more generally and are understood to be currently under review.

Legislative or other Governance responsibilities

Yes, referred to in legislation. See Appendix 3.

Current COAG-related work

- The Commonwealth Parliamentary Secretary for Health, in consultation with the Council, will draft
 an intergovernmental agreement for COAG's consideration (by mid 2010) which amends the voting
 arrangements of the Council and proposes reforms to enable centralised interpretive advice to be
 provided in relation to food standards on a primary cost-recovery basis.
- Report to COAG, through the Business Regulation and Competition Working Group, on outcomes of the review of food labelling law and policy (by July 2010), under the COAG *National Partnership Agreement to Deliver a Seamless National Economy*.

Recommendation

The Council has an important ongoing role in relation to food standards in legislation and should therefore continue. However, it needs to consider the appropriateness of its membership and voting arrangements.

Gambling, Ministerial Council on

Council background

The Ministerial Council on Gambling was established in 2000. Its objective is to minimise the negative social impacts of problem gambling by exchanging information on responsible gambling strategies and discussing common issues to facilitate the development of effective interventions and responses.

The Commonwealth Minister is the permanent Chair, with the permanent Secretariat being located within the Commonwealth Department of Families, Housing, Community Services and Indigenous Affairs.

The Commonwealth, all States and Territories and Norfolk Island are members.

Review findings

The Council identified a number of earlier achievements on COAG-directed work but then Council meetings lapsed for almost two years, prior to July 2008. At the July 2008 meeting, the Council agreed to

a 'reinvigoration' and a new work program largely focused on harm minimisation related to electronic gaming machines.

The view formed from consultations is that it would be more suitable for problem gambling matters to be dealt with by Community Services Ministers, while gambling revenue matters should fall under the responsibility of Treasurers and/or Employment Ministers. Several stakeholders have supported the dissolution of the Council so long as there would still be a forum for the Commonwealth and States and Territories to engage on gambling issues.

In July 2008, COAG asked the Productivity Commission to conduct a public inquiry into gambling in Australia. It was suggested that before the Council be dissolved, it should hold one more meeting to address the Productivity Commission's final report, scheduled for release in February 2010.

Legislative or other Governance responsibilities

None identified

Current COAG-related work

None identified

Recommendation

The Ministerial Council should have a final meeting in 2010 to address the Productivity Commission report on the social and economic impacts of gambling. Following this, problem gambling should be transferred to Community and Disability Services Ministerial Council and gambling revenue matters to the Ministerial Council on Federal Financial Relations on an as needed basis.

Gene Technology Ministerial Council

Council background

The Gene Technology Ministerial Council was established by the COAG *Intergovernmental Gene Technology Agreement 2001* (the Agreement). Its functions include:

- governing the activities of the Gene Technology Regulator and the operation of the Scheme (the 'Scheme' refers to a national legislative scheme to protect the health and safety of people and to protect the environment, by identifying risks posed by, or as a result of, gene technology and by managing those risks through regulating certain dealings with genetically modified organisms);
- approving appointments to various bodies;
- ensure co-ordination with other Ministerial Councils on matters relating to gene technology and, in particular, harmonisation of regulatory processes relating to genetically modified products;
- oversee generally the implementation of the Scheme, and consider proposed changes to the Scheme;
- initiate a review of the Scheme in accordance with the specifications of the Gene Technology Agreement; and
- perform any other function conferred on the Council by the Gene Technology Agreement.

The Council has a rotating Chair whose term is determined by the Council. The permanent Secretariat is located within the Commonwealth Department of Health and Ageing.

The Commonwealth and all States and Territories are members of the Council. Decisions are made in accordance with the Scheme, or otherwise by a majority of all members of the Council.

Review findings

Consultations have found that the work of the Council is mostly undertaken by technical experts – for this reason, it is not necessary for the Council to exist.

The Council currently comprises Ministers from a range of portfolios including health, agriculture and environment. Relevant Ministers could respond to particular issues through other forums as needed.

Legislative or other Governance responsibilities

Yes, but not referred to directly in legislation. See Appendix 3.

Current COAG-related work

None identified

Recommendation

Gene technology matters should be dealt with by technical experts, with meetings of Ministers to continue outside the COAG system as required and without ongoing reference to COAG.

Great Barrier Reef Ministerial Council

Council background

The Great Barrier Reef Ministerial Council was first established in 1975, but it met for the first time in July 2009, under the new Great Barrier Reef Intergovernmental Agreement 2009 ('the Agreement'). The parties to the Agreement are the Commonwealth and Queensland governments. The Council's objective is to facilitate and provide strategic oversight to the implementation and achievement of the objectives of the Agreement.

The Commonwealth Minister is the permanent Chair and the permanent Secretariat is located within the Commonwealth Department of Environment, Water, Heritage and the Arts.

The Commonwealth and Queensland are members of the Council.

Review findings

The Council argues that it should not be considered a COAG Council as it has representation from only two jurisdictions. This view was affirmed in consultations, though stakeholders stated that the Council was nonetheless a useful forum for Ministers.

Legislative or other Governance responsibilities

None identified

Current COAG-related work

None identified

Recommendation

This Council has value but its narrow member base does not warrant its status as a COAG Council. It should continue but outside the COAG system and without ongoing reference to COAG.

Health, Ageing, Community and Disability Services Ministerial Council – Ministerial Conference on Ageing

Council background

The Ministerial Conference on Ageing was established as an election promise in 2007 and held its first meeting in June 2008. Its objectives are to provide a forum:

- where the Commonwealth and the States and Territories can cooperate to ensure that policies and programs are focused on inclusion of older people;
- for the three levels of government involved in ageing and aged care to collaborate effectively on service planning, development and delivery and to facilitate a consistent and coordinated national approach to aged care policy development and implementation;
- for an efficient, cohesive and streamlined approach to ageing and aged care services and funding commitments; and
- to consider matters referred by a member Minister and reports submitted by the Ministerial Advisory Council.

The Council has a rotating Chair and is serviced by the Health, Ageing, Community and Disability Services Ministerial Council Secretariat, which is an independent, permanent Secretariat located in Adelaide.

The Commonwealth, all States and Territories, the ALGA and New Zealand are members of the Council, with decisions being made by consensus.

Review findings

Stakeholder consultations confirm that the Council has yet to firmly establish its role and strategic direction – it is still 'struggling to find an agenda'.

The Council's focus has been on information sharing, often on issues that fall outside the COAG reform agenda. The Council has noted that the primary responsibility for aged care reform is through the current COAG health reform process.

A number of stakeholders have suggested that this Council could be merged with either the Australian Health Ministers' Conference or the Community and Disability Services Ministerial Council.

Legislative or other Governance responsibilities

None identified

Current COAG-related work

None identified

Recommendation

The Council could be incorporated into the Australian Health Ministers' Conference.

Health, Ageing, Community and Disability Services Ministerial Council – Australian Health Ministers' Conference

Council background

The Australian Health Ministers' Conference (AHMC) was established in 1968. Its objectives are:

- to provide a forum for Commonwealth, State and Territory Governments and the Government of New Zealand to discuss matters of mutual interest concerning health policy, health services and programs; and
- to promote a consistent and coordinated national approach to health policy development and implementation.

The Council has a rotating Chair and is serviced by the Health, Ageing, Community and Disability Services Ministerial Council Secretariat, which is an independent, permanent Secretariat located in Adelaide.

The Commonwealth, all States and Territories and New Zealand are members of the Council, with decisions being made by consensus.

Review findings

The Council noted its role in monitoring the implementation and reporting requirements regarding the National Healthcare Agreement and each of the health-related National Partnerships. In addition to tasks arising from the COAG reform agenda, the Council manages a wide range of systemic issues relevant to the national health agenda.

The committee structure is large, consisting of well over forty committees, sub-committees and working groups, yet feedback from stakeholders indicates that the Council works well.

Members of the Council are also members of the Health Workforce Ministerial Council. The latter Council could be incorporated into the former. The Review has also recommended that the Ministerial Conference on Ageing should be incorporated into the AHMC.

In the consultation process, the role of Veterans' Affairs for driving health policy was highlighted. In light of this, the Council could explore ways to involve Veterans' Affairs in discussions, as well as utilise the data and research capacity of the Department for Veterans' Affairs where appropriate.

Legislative or other Governance responsibilities

The Council's officials group, the Australian Health Ministers' Advisory Council, has governance responsibilities for the Australian Institute of Health and Welfare, as referred to in legislation. See Appendix 3.

Current COAG-related work

• Responsible for the monitoring and/or implementation of the *National Healthcare Agreement*; the *National Partnership Agreement on Preventative Health*; the *National Partnership Agreement on Hospital and Health Workforce Reform*; and the *National Partnership Agreement on Closing the Gap*

in Indigenous Health.

 Provides advice and makes recommendations on chemicals and plastics policy as stated in the Memorandum of Understanding for Chemicals and Plastics Regulatory Reform 2009, under the COAG National Partnership Agreement to Deliver a Seamless National Economy.

Recommendation

The Council has displayed a capacity to effectively manage a large agenda. The Council should continue to have a role in COAG's current health reform agenda, as well as an ongoing role in managing the national health system. Furthermore, the Council should extend its work to encompass the Health Workforce Ministerial Council and ensure that it has appropriate links with Veterans Affairs.

In line with recommendations on the Ministerial Council for Aboriginal and Torres Strait Islander Affairs, the Australian Health Ministers' Conference should also maintain engagement with Indigenous Ministers to progress COAG's Closing the Gap reform agenda.

Health, Ageing, Community and Disability Services Ministerial Council – Community and Disability Services Ministerial Council

Council background

The Community and Disability Services Ministerial Council was established in 1993. Its objectives are to:

- provide a forum for regular consultation on matters of mutual concern between the Commonwealth, State and Territory Governments and the New Zealand Government;
- promote a consistent and coordinated national approach to social welfare policy development and implementation; and
- consider matters referred by a Member Minister and to consider reports from the Community Service Ministers' Advisory Council and the National Disability Administrators Group.

The Council has a rotating Chair and is serviced by the Health, Ageing, Community and Disability Services Ministerial Council Secretariat, which is an independent, permanent Secretariat located in Adelaide.

The Commonwealth, all States and Territories and New Zealand are members of the Council; Papua New Guinea is invited to attend as an observer at meetings.

Review findings

The Council is large and covers a broad portfolio area. The Council benefits by sometimes holding joint sessions with the Australian Health Ministers' Conference. The general view to emerge from consultations was that the Council works relatively well, although stakeholders have nominated some areas for improvement, including a broader and more innovative work plan.

There is some contention over whether disability is being adequately addressed through the Council, given the prominence of this topic in the COAG reform agenda. It is understood that the separated agenda means that in meetings, time is devoted to disabilities. Notwithstanding, Disability Ministers have advocated for a separate Council to address disability issues. It was also expressed in consultations that disability issues go beyond a single Council and COAG support is needed to ensure it succeeds nationally.

There were also suggestions by stakeholders to re-allocate some other topics, such as homelessness and early childhood development, to different Councils. Conversely, in relation to consultations with stakeholders regarding the Ministerial Council on Gambling, the view emerged that the topic of problem gambling should be transferred to the Community and Disability Services Ministerial Council.

The Secretariat, which also services a number of other Ministerial Councils, has been acknowledged by stakeholders as being well-run and a contributor to success.

Legislative or other Governance responsibilities

None identified

Current COAG-related work

• Tasked by COAG to report annually on the performance of the National Framework for Protecting

Australia's Children.

• Responsible for the monitoring and/ or implementation of the *National Disability Agreement*.

Recommendation

The Council should continue as an important linkage for several related topic areas, including disability. While the idea of a separate Disability Ministers Council may hold some merit, there was no clear conclusion in favour of this from stakeholders overall. In line with Review recommendations on the Ministerial Council on Gambling, work related to problem gambling should be transferred to the Community and Disability Services Ministerial Council.

In line with recommendations on the Ministerial Council for Aboriginal and Torres Strait Islander Affairs, Community and Disability Ministerial Council should maintain engagement with Indigenous Ministers to progress COAG's Closing the Gap reform agenda.

Housing Ministers' Conference

Council background

The Housing Ministers' Conference has existed since before 2001 (exact date unknown). Its objectives are to:

- facilitate consultation and cooperation between governments and promote national consistency in policy and service development where appropriate;
- undertake joint policy development through effective use of resources; and
- take joint action in the resolution of issues which arise between governments.

The Council has a rotating Chair and is serviced by the Health, Ageing, Community and Disability Services Ministerial Council Secretariat, which is an independent, permanent Secretariat located in Adelaide.

The Commonwealth, all States and Territories and ALGA are members of the Council. New Zealand attends as an observer on a regular basis. Decisions are made by consensus.

Review findings

The Council has a big agenda as a result of the Government's recent stimulus packages. The Council has taken carriage of the work formerly undertaken by the COAG Housing Working Group before it was disbanded in mid-2009. The Council sets its objectives and work program in line with the COAG reform agenda and has reorganised its support structures to deal with the implementation of the National Partnership Agreements for which it has responsibility.

Although some stakeholders have identified areas in which the Council could improve its effectiveness, in general the Council is recognised as an important vehicle for prosecuting the reform agenda, as well as a good forum for comparing and contrasting how matters such as rent and antisocial behaviour are being dealt with in other jurisdictions.

Legislative or other Governance responsibilities

None identified

Current COAG-related work

- Responsibilities in relation to the National Affordable Housing Agreement; the National Partnership Agreement on Homelessness; the National Partnership Agreement on Remote Indigenous Housing; and the National Partnership Agreement on Social Housing
- Responsibilities in relation to the Social Housing initiative of the *Nation Building and Jobs National Partnership*.

Recommendation

The Council has an important ongoing role and should continue.

In line with recommendations on the Ministerial Council for Aboriginal and Torres Strait Islander Affairs, the Housing Ministers' Council should maintain engagement with Indigenous Ministers to progress COAG's Closing the Gap reform agenda.

Immigration and Multicultural Affairs, Ministerial Council on

Council background

The Ministerial Council on Immigration and Multicultural Affairs was established in 1994. Prior to this, a Ministerial Council with responsibilities on Immigration, Ethnic Affairs and Multicultural Affairs existed. The Council's objective is to provide a forum for consultation between the Commonwealth and State and Territory Governments on aspects of immigration, settlement, citizenship and multicultural affairs

The Commonwealth Minister is the permanent Chair, with the permanent Secretariat being located within the Commonwealth Department of Immigration and Citizenship.

The Commonwealth and all States and Territories are members. New Zealand participates as an observer.

Review findings

The Council has stated that it is primarily a consultation forum. Although it has a diverse membership, the Council has stated that jurisdictional representation at meetings does not always encompass the full agenda (that is, migration, settlement *and* multicultural issues). Stakeholders have pointed out that the focus of the Commonwealth is on immigration, while the focus of the States and Territories is on multicultural affairs.

A number of stakeholders have expressed a view that it would be more appropriate for immigration matters to be addressed by Economic Ministers. It is therefore recommended that the Ministerial Council for Federal Financial Relations consider immigration matters if required. In this instance Immigration Ministers should be invited to attend meetings. Multicultural affairs could be discussed by the relevant Ministers, as required, outside of the COAG system.

New Zealand has identified value in its involvement in this Council.

Legislative or other Governance responsibilities

None identified

Current COAG-related work

None identified

Recommendation

The Ministerial Council could be disbanded. Immigration matters should be addressed by the Ministerial Council for Federal Financial Relations as required, with Immigration Ministers in attendance as needed. Multicultural Affairs matters should be addressed by meetings of Ministers as required and without ongoing reference to COAG.

International Trade, Ministerial Council on

Council background

The Ministerial Council on International Trade was established in March 2008. Its objectives are to facilitate cooperation between the Commonwealth and State and Territory Governments on measures to enhance Australia's international competitiveness and trade performance; and to consult on major issues such as:

- international trade negotiations at the multilateral, regional and bilateral level;
- trade development and trade promotion activities;
- investment promotion and international business activities; and
- domestic competitiveness issues related to export performance and productivity.

The Commonwealth Minister is the permanent Chair of the Council. The Council has a permanent Secretariat that is located within the Commonwealth Department of Foreign Affairs and Trade.

The Commonwealth and all States and Territories are members of the Council.

Review findings

In the Review questionnaire response, the Council noted that in its first 18 months of operations, the Council has benefited by sitting under the COAG banner which has provided it with the justification to meet with various areas of government and convey the importance of considering trade competitiveness in domestic policy. The importance of structural reform for the international trade agenda was identified

as a key reason for the Council's establishment.

However, consultations revealed that some stakeholders question the value of the Council.

The Council itself concedes that so far there has been less-than-optimal engagement from jurisdictions. While Ministers on the Council generally hold a trade or trade-relevant portfolio (like economic development), three jurisdictions are represented on the Council by their First Minister or Deputy First Minister. The Council has identified that its capacity to make informed decisions is affected by members failing to attend meetings and sending another Minister or a senior official (as an observer) instead.

Legislative or other Governance responsibilities

None identified

Current COAG-related work

None identified

Recommendation

Given its recent establishment, and its important objective of inserting an international trade perspective into broader range of domestic policy debates, the Council should continue. It should be given until December 2011 to bed down its reform agenda, after which time COAG could revisit the Council's performance.

Local Government and Planning Ministers' Council

Council background

The Local Government and Planning Ministers' Council was established in 2001. Its objective is to agree on policy and strategic approaches for Local Government and planning issues where a national approach is necessary to deliver effective outcomes to local communities.

The Commonwealth Minister has been the permanent Chair since March 2008, when chairing arrangements were changed from rotating to permanent. The permanent Secretariat is located within the Commonwealth Department of Infrastructure, Transport, Regional Development and Local Government.

The Commonwealth, all States and Territories, ALGA and New Zealand are members.

Review findings

While it was recognised during consultations that there is value in having a forum for local government and planning Ministers to meet, the general view to emerge from consultations was that the Council lacks strategic direction and could be more productive.

It is noted that in late 2008, the Australian Council of Local Government was established, as a means for the Commonwealth and local governments to engage directly with each other.

At its 7 December 2009 meeting, COAG agreed that all States and Territories would have in place best-practice capital city strategic plans by January 2012. However, the Council does not have carriage of this work.

Legislative or other Governance responsibilities

None identified

Current COAG-related work

Tasked with reporting to COAG, through the Business Regulation and Competition Working Group, on the finalisation of the current Development Assessment reform program by early 2010, and on progress in implementing the milestones for several other projects by the end of 2010. This work is part of the COAG *National Partnership Agreement to Deliver a Seamless National Economy*. See Attachment Y.

Recommendation

The Council should be disbanded following completion of work in mid 2010.

Mineral and Petroleum Resources, Ministerial Council on

Council background

The Ministerial Council on Mineral and Petroleum Resources was established in 2001. Its objective is to facilitate cooperation between Australian governments on issues which affect the sustainable

development of the minerals and petroleum industries.

The Council has a rotating Chair and a permanent Secretariat that is located within the Commonwealth Department of Resources, Energy and Tourism.

The Commonwealth and all States and Territories are members. New Zealand, Papua New Guinea and East Timor have observer status.

Review findings

In consultations, there were mixed views on the strategic agenda of the Council and its ability to progress work items. It can be drawn from consultations that the Council generally has limited involvement in COAG-related work. New Zealand has identified value in its involvement in this Council.

The Council states that it maintains a close relationship with its sister Council, the Ministerial Council on Energy, on energy issues of shared importance, such as natural gas and carbon capture and storage. The two Councils recently concluded a joint working group together. There is considerable overlap in membership at the Ministerial level between the two Councils, although the officials groups differ.

It is understood that the review of Australia's Future Tax System is considering issues related to the taxation of non-renewable resources, the outcomes of which would be a matter for future COAG consideration.

Legislative or other Governance responsibilities

Yes, governance responsibilities for the National Offshore Petroleum Safety Authority, as referred to in legislation. See Appendix 3.

Current COAG-related work

Directed by COAG to agree (by early 2010) to the implementation plans for proposed oil and gas regulation reforms, under the *COAG National Partnership Agreement to Deliver a Seamless National Economy*.

Recommendation

The Ministerial Council on Mineral and Petroleum Resources should be disbanded.

Murray-Darling Basin Ministerial Council

Council background

The Murray-Darling Basin Ministerial Council was first established in 1985, but its functions and composition were changed pursuant to the 2008 Murray-Darling Basin Agreement on Reform. The new Council first met in June 2009. The agreed functions of the Ministerial Council are:

- to consider and determine outcomes and objectives on major policy issues of common interest to the management of water and natural resources of the Murray-Darling Basin;
- approve the annual corporate plan and budget and asset management plan prepared by the Murray-Darling Basin Authority; and
- agree amendments to the Murray-Darling Basin Agreement.

The Council oversights the Murray-Darling Basin Authority, which is responsible for delivering and implementation of the Basin Plan. The Council also has a legislative role on proposed future amendments of the Basin Plan (section 47A of the *Water Act 2007*)

The Commonwealth Minister is the permanent Chair of the Council. The permanent, independent Secretariat is the Murray-Darling Basin Commission, which is located in Canberra.

The Commonwealth, Queensland, New South Wales, Australian Capital Territory, Victoria and South Australia are members.

Review findings

The functions and operations of the Council are spelled out in detail in the new Commonwealth and State and Territory legislation. It has been raised in consultation that the development of the Basin Plan needs political oversight and it is critical that the Commonwealth Minister signs off on the Plan. Given the above factors, it would be sensible for the Council to continue to perform its prescribed functions on this specific task. However, at this stage, there is no strong argument for the Council to continue to exist under COAG beyond the development of the Basin Plan.

Legislative or other Governance responsibilities

Yes, it is established by legislation and has responsibilities in legislation. See Appendix 3.

Current COAG-related work

The Murray-Darling Basin Authority, which the Council oversees, is tasked with reporting to COAG on progress with environmental water recovery in the Murray-Darling Basin as at 30 June and 31 December each year.

Recommendation

The Ministerial Council should continue until the Basin Plan is developed (anticipated to be 2011). Thereafter, COAG could consider whether the Council should be disbanded and matters relating to the Murray-Darling Basin addressed through meetings of Ministers on an as required basis.

Natural Resources Management Ministerial Council

Council background

The Ministerial Council was established by decision of the June 2001 meeting of COAG, along with the Primary Industries Ministerial Council (PIMC) and the EPHC, to replace four previously existing Councils. The objective of the Council is to promote the conservation and sustainable use of Australia's natural resources.

The Commonwealth Minister is the permanent Chair of the Council, with the permanent Secretariat being located within the Commonwealth Department of Agriculture, Fisheries and Forestry. This Secretariat also services the Primary Industries Ministerial Council.

The Commonwealth, all States and Territories and New Zealand are members. ALGA and Papua New Guinea have observer status at meetings. Decisions are made by consensus.

Review findings

The Ministerial Council recognises that there has been significant overlap between itself, PIMC and EPHC. All members of the PIMC are also members of the Natural Resources Ministerial Council.

The Council recognises that while it achieved significant outcomes after it was first established, it has been less effective in recent years. This is due to the increased size of the Council, the broad range of issues it covers and to newly created portfolios such as climate change and water. Several stakeholders have advised that the Council could be abolished, yet emphasising the value of the annual awards to regional bodies.

Legislative or other Governance responsibilities

Yes, referred to in legislation. See Appendix 3.

Current COAG-related work

The Water Sub-Group, under the recently disbanded Climate Change and Water COAG Reform Agenda Working Group, is progressing the COAG water reforms and reports to the Council.

Recommendation

The Ministerial Council could be abolished. Another mechanism should be put in place to continue the annual awards ceremony for regional bodies.

Online and Communications Council

Council background

The objectives of the Online and Communications Council are to:

- provide leadership to all areas of government, industry and the community at large in promoting and facilitating the provision, access, development, production and use of information and communication technologies;
- provide a forum for Australian, State and Territory Government Ministers and local government to consider and reach agreement on national strategic approaches to information and communication

services; and

 liaise actively with other Ministerial Councils and other bodies on matters relevant to the activities of the Council.

The Commonwealth Minister is the permanent Chair, with the permanent Secretariat being located within the Commonwealth Department of Broadband, Communications and the Digital Economy.

The Commonwealth and all States and Territories are members of the Council.

Review findings

The Council states that its priorities overlap with but are not the same as COAG's. The Review questionnaire response identified engagement with a number of other Ministerial Councils but did not clearly specify the extent of the engagement. The Council identifies a number of Frameworks under its list of achievements. The benefits deriving from the Council's endorsement of the Frameworks are not readily apparent.

On the basis of the questionnaire response and consultations, it is difficult to find a strong reason for this Council to continue.

Legislative or other Governance responsibilities

None identified

Current COAG-related work

Facilitating objectives to close the gap on Indigenous disadvantage in relation to communications infrastructure.

Recommendation

The Council should be disbanded. The Commonwealth Minister may from time to time call relevant State and Territory Ministers together to talk about specific issues or to provide updates on Commonwealth progress.

Primary Industries Ministerial Council

Council background

The Primary Industries Ministerial Council was established in 2001 by COAG. Its objective is to develop and promote sustainable, innovative and profitable agriculture, fisheries/aquaculture, and food and forestry industries.

The Commonwealth Minister is the permanent Chair of the Council, with the permanent Secretariat being located within the Commonwealth Department of Agriculture, Fisheries and Forestry (DAFF). This Secretariat also services the NRMMC.

The Commonwealth, all States and Territories and New Zealand are members. Papua New Guinea participates as an observer. Decisions are made by consensus.

Review findings

The Commonwealth Minister established a 'Primary Industries Ministerial Forum', which met for the first time in February 2008 and exists parallel to the Ministerial Council. The Forum comprises one Minister, one Departmental Head / Chief Executive Officer and one official from the Commonwealth and each State and Territory. It is supported by a Secretariat within DAFF.

While stakeholders acknowledged that the Council works well and has important work to do, there was much stronger support for the Forum. In consultations, the bureaucratic processes of the Council were contrasted with the Forum, which provides the Ministers with greater ownership of the agenda.

According to stakeholders, the Forum allows the Commonwealth Minister to put forward proposals that are 'sharp and focused', followed by 'time for real discussion'. Through the Forum, Ministers have held discussions on emerging and current issues such as bio-security and drought policy. The meeting outcomes of the Forum then guide the agenda of the Council, where relevant.

Consultations in relation to the NRMMC have revealed that there is overlap between the two Councils. The Review suggests that responsibility for relevant topics be wholly transferred to the Primary Industries Ministerial Council following the abolition of the NRMMC.

New Zealand has identified value in its involvement in this Council.

Legislative or other Governance responsibilities

None identified

Current COAG-related work

Provides advice and makes recommendations on chemicals and plastics policy as stated in the *Memorandum of Understanding for Chemicals and Plastics Regulatory Reform 2009*, under the COAG *National Partnership Agreement to Deliver a Seamless National Economy*.

Recommendation

The Council should continue. The recent creation of the Primary Industries Ministerial Forum has, however, highlighted the need for the Council to address the way that the Council prioritises agenda items. In line with the Review recommendation on the Natural Resources Management Ministerial Council, the Primary Industries Ministerial Council may also take on some of the roles that were previously fulfilled by the NRMMC.

Procurement and Construction Council, Australian

Council background

The Australian Procurement and Construction Ministerial Council was established in its current form in 1996, replacing the Construction Industry Ministerial Council. The Council is supported by its senior officials' group, the Australian Procurement and Construction Council (APCC) Inc, which was established in 1967.

The objectives of the Council are to deliver on a wide range of outcomes aimed at improving the efficiency and effectiveness of government procurement in its delivery of goods and services to the Australian community and to advise governments and provide leadership to industry on procurement and asset management by:

- adding value and assisting the way governments work with the private sector to deliver services to the community;
- providing a forum for suppliers and government buyers to exchange ideas and intelligence;
- initiating policy developments to promote excellence in the procurement and construction industries;
- developing, coordinating and promoting national consistency.

The Council has a rotating Chair, and the APCC Directorate, located in Canberra, services the Council as its permanent Secretariat.

The Commonwealth and all States and Territories except Tasmania are full members; Tasmania participates as an observer. New Zealand is an associate member.

Review findings

The predominant view among stakeholders was that procurement policy and processes are of interest to government officials, for shared learning and to progress work relating to intergovernmental commitments, but there is no need for Ministers to be involved in this. A number of Ministers and officials question the Ministerial Council's existence.

The Council's last meeting was held in the second half of 2007 and items discussed at that meeting were only for noting.

Legislative or other Governance responsibilities

None identified

Current COAG-related work

- Responsibilities under the National Partnership Agreement on Energy Efficiency.
- The APCC and an officials' group under the Ministerial Council for Energy are jointly progressing projects supporting the *National Strategy on Energy Efficiency*.

Recommendation

The Ministerial Council could be disbanded, with work on procurement matters to be continued by officials through the APCC.

Regional Development Council

Council background

The Regional Development Council was established in 2003. Its objective is to facilitate more effective cooperation across all spheres of government in order to achieve sustainable economic, social and environmental outcomes for regional Australians.

The Commonwealth Minister is the permanent Chair, with the permanent Secretariat being located within the Commonwealth Department of Infrastructure, Transport, Regional Development and Local Government.

The Commonwealth, all States and Territories, ALGA and New Zealand are members.

Review findings

Stakeholders have indicated that the Council has 'struggled to find an agenda' and to identify regional issues of national significance and of interest to all jurisdictions.

The Council identified that the cross-cutting nature of regional development issues mean that there is often overlap with other Ministerial Councils that have primary responsibilities for an issue. From the Review questionnaire response and consultations, it appears that the Council may lack the mandate to progress particular issues.

The Commonwealth Government established Regional Development Australia in 2008, which has links to the Council and aims to bring together all levels of government.

It is noted that regional Australia also has a voice through various other fora, for example in the agriculture portfolio.

Several stakeholders have expressed the view that it is unnecessary for this Council to continue.

Legislative or other Governance responsibilities

None identified

Current COAG-related work

None identified

Recommendation

The Council should be disbanded The recently established Regional Development Australia network should encourage closer collaboration between the Commonwealth, State and Territory and local governments on regional development matters, with meetings of Ministers as required.

Small Business Ministerial Council

Council background

The Small Business Ministerial Council was established in 1999. Its objectives are to:

- provide a forum for Ministers to consult and consider small business issues of strategic national significance;
- promote a national, consistent and coordinated approach to small business policy and its development;
- where appropriate, provide the means to achieve integration of action by governments on small business issues;
- where there is agreement, act as an advocate on behalf of small business policy issues across all levels of government; and
- act as an advocate on behalf of small business and liaise with other Ministerial Councils and other bodies on matters relevant to the activities of the Council.

The Council has a rotating Chair and a rotating Secretariat that is located within the Victorian Department of Innovation, Industry and Regional Development.

The Commonwealth, all States and Territories and New Zealand are members of the Council, with decisions being made by consensus.

Review findings

The questionnaire response by the Council suggests that the portfolio responsibilities of members may be such that the Council has limited capacity to influence key areas that affect small business policy such as tax reform. Several sources have indicated that the issues being raised are not of national significance and that the Council could be more effective in its operations.

While it is important to maintain an authoritative body that addresses issues such as regulation and market power from a small business perspective, the Review recommends that this role be fulfilled by the Business Regulation and Competition Working Group.

The Council has taken direction from and reported back to COAG on some initiatives, typically through the BRCWG.

Legislative or other Governance responsibilities

None identified

Current COAG-related work

None identified

Recommendation

Given the significance of small business to the economy, greater focus on this area might be achieved by disbanding the Council and transferring its role to the BRCWG.

Sport and Recreation Ministers' Council

Council background

The Sport and Recreation Ministers' Council was established in 1973. Its objective is to share information on, and coordinate, nationally significant policies and programs in relation to sport and recreation.

The Council has a Chair that rotates every year and a Secretariat that rotates every two years.

The Commonwealth, all States and Territories, New Zealand and Papua New Guinea are members.

Review findings

While recognising that the Council is an important structure for the coordination of elite sports, national interest sporting events and community sports, the Review finds little reason for the Council to continue as a meeting of Ministers under COAG.

Legislative or other Governance responsibilities

None identified

Current COAG-related work

None identified

Recommendation

The Council should be disbanded, with the sport coordination work of the Council to be undertaken by officials. Ministers could meet to discuss sport and recreation matters as required.

Status of Women, Commonwealth, State, Territory and New Zealand Ministers' Conference on the

Council background

The Commonwealth, State, Territory and New Zealand Ministers' Conference on the Status of Women was established in 1991. Its objectives are to:

- to provide a mechanism across the Commonwealth, States, Territories and New Zealand, for the coordination and development of policies that affect the status of women, especially on those issues that cross jurisdictional borders;
- to facilitate and drive action on matters of mutual concern; and

• to refer and/or present agreed issues or strategies to other Ministerial Groups.

The Council has a rotating Chair and a permanent Secretariat that is located within the Commonwealth Department of Families, Housing, Community Services and Indigenous Affairs.

The Commonwealth, all States and Territories and New Zealand are members of the Council.

Review findings

The Council states that its recent priorities (women's economic status, leadership and safety), as set out in a two year work plan in 2008, could be reconsidered in relation to COAG priorities. The Council also identifies that there is an opportunity to enhance its role in the domestic implementation of international covenants such as the United Nations Convention on the Elimination of All Forms of Discrimination Against Women.

The Council recognises that it could improve its capacity to implement decisions and deliver outcomes across government by strengthening connections to COAG and other Councils, in order to obtain high-level commitments and support from various portfolios across all jurisdictions – for instance, on domestic violence and indigenous women's policy.

During consultations, it emerged that substantial work on women's issues is already being undertaken, and could continue to be progressed, by bodies outside the Ministerial Council. For instance, in 2009 the Prime Minister announced a cross-jurisdictional ministerial forum (separate from the Council) set up under the auspices of COAG to develop the National Plan to Reduce Violence against Women which is due to finalise its work to COAG in mid-2010. This forum appears to have a focus similar to that of the Council's Safety Taskforce working group

Legislative or other Governance responsibilities

None identified

Current COAG-related work

None identified

Recommendation

The Council could be disbanded. Key issues that affect women could be addressed by other advisory bodies as needed, such as the Violence Against Women Advisory Group.

Tertiary Education and Employment, Ministerial Council for

Council background

The MCTEE was created on 1 July 2009, from the realignment of two previously existing Councils by COAG agreement. The aim of the realignment was to better reflect the COAG reform agenda. MCTEE's predecessor was the Ministerial Council for Vocational and Technical Education. The Ministerial Council works closely with the MCEECDYA – the other Council established in that decision.

MCTEE is the key decision-making body and has overall responsibility for the national tertiary education and employment system. The Council's functions include:

- setting the national priorities and strategic policy directions for the tertiary education sector to meet the skills needs of the Australian economy;
- establishing streamlined arrangements for national consistency and harmonisation of the Vocational Education and Training (VET) and Higher Education sectors (while respecting the distinct mission of each sector);
- allocations under the National Training System Funding Pool;
- maintaining strong industry leadership of and engagement in the tertiary sector; and
- overseeing the work of the Australian Qualifications Framework Council in strengthening the Australian Qualifications Framework.

In the spirit of closing the gap for Indigenous Australians, a key objective of the Council with MCEECDYA will be to improve education and employment outcomes for Indigenous Australians.

The Commonwealth Minister is the permanent Chair of the Council. The permanent, independent Secretariat is hosted within the Queensland Department of Education, Training and the Arts.

The Council advised that it was undertaking a review, due to be completed by the end of 2009. This Review has not seen the outcomes of the MCTEE Review.

The Commonwealth and all States and Territories are members. All decisions are made by a simple majority vote – the Commonwealth Government has two votes, each State and Territory has one vote and the Chair has a casting vote.

Review findings

The Council's work has been closely linked to the COAG reform agenda. The Council now has an important role in the national tertiary education system, with governance responsibilities for a number of sub-committees and other bodies, as well as links to Ministerial companies. In light of the Council's expanded focus, and resulting from its review in late 2009, the Council is expected to make further changes to its governance arrangements.

It is noted that COAG tasked the COAG VET Working Group (formed on 2 July 2009 to replace the former Skills and Workforce Development Sub-Group of the COAG Productivity Agenda Working Group), rather than the Council, to progress a number of key strategic VET reforms. It has been expressed that the involvement of officials from First Ministers' Departments in the VET Working Group provided the necessary impetus to drive these reforms through COAG. This Working Group has no sunset clause.

The Council has been directed by COAG to implement the reforms developed by the VET Working Group, such as action to assist Australian Apprentices, development of a unique student identifier, National Green Skills Agreement, and further amendments to the Australian Quality Training Framework.

New Zealand has expressed an interest in becoming a participant in Council meetings, to maintain the engagement it had with Australia on similar issues as a member of the former MCEETYA.

Legislative or other Governance responsibilities

Yes, but not referred to directly in legislation. See Appendix 3.

Current COAG-related work

- In relation to regulation for Vocational Education and Training: tasked by COAG to develop a business case for the introduction of a national student identifier (to report back to COAG at the first meeting in 2010).
- Implementation of a number of other VET reforms developed by the VET Working Group.
- The National Agreement for Skills and Workforce Development: key decision-making body and has overall responsibility for the national training system. Responsible for oversighting implementation of the National Partnership Agreement on the Productivity Place Program under that Agreement. Limited involvement with the National Partnership Agreement on Youth Attainment and Transitions.
- The Productivity Development Data Group (which replaced the COAG Productivity Agenda Working Group Data Sub-Group) works to both MCTEE and MCEECDYA.

Recommendation

The Council needs time to establish the new governance architecture of the tertiary education sector, in line with COAG reform priorities. The Council should continue its role in the national tertiary education and employment system.

In line with recommendations on MCATSIA, MCTEE should maintain engagement with Indigenous Ministers to progress COAG's Closing the Gap reform agenda.

Tourism Ministers' Council

Council background

The Tourism Ministers' Council was established in 1959. Its main objective is to facilitate consultation and policy coordination between members on tourism matters.

The Council has a rotating Chair and a permanent Secretariat that is located within the Commonwealth Department of Resources, Energy and Tourism.

The Commonwealth, all States and Territories and New Zealand are members. Norfolk Island and Papua New Guinea have observer status. Decisions are made by consensus.

Review findings

During consultations, there were mixed views on the effectiveness of the Council.

It has been suggested that there is some confusion over the appropriate scope of the Council.

Several stakeholders identified that the Council has been primarily focused on tourism promotion (in other words, tourism demand), which means that jurisdictions on the Council are essentially in competition with one another. It was argued that, instead, the Council should pay more attention to supply-side issues in tourism, such as skills, infrastructure and accreditation.

The Council has accepted the recommendations of the Borthwick Review of the Council's operations in late 2009, including in relation to implementation of the National Long-Term Tourism Strategy (NLTTS). It was indicated that implementing the NLTTS would take three to five years.

New Zealand has identified value in its involvement in the Council, although New Zealand recognises that there could be improvements in the operation of the Council.

Legislative or other Governance responsibilities

None identified

Current COAG-related work

None identified

Recommendation

The Council should be given time to act upon the changes recommended in its recent Review and to complete its important task of implementing the National Long-Term Tourism Strategy. Once the NLTTS is implemented, or in five years time (whichever is earlier), another review should reassess whether the Council should continue.

Transport Council, Australian

Council background

The Australian Transport Council was established in 1993. Its objective is to achieve a transport system that is efficient, safe, sustainable, accessible and competitive.

The Commonwealth Minister is the permanent Chair of the Council, and the permanent Secretariat is located within the Commonwealth Department of Infrastructure, Transport, Regional Development and Local Government.

The Commonwealth, all States and Territories and New Zealand are members. ALGA and Papua New Guinea have observer status. Both consensus and voting models are utilised. Consensus is used for general issues and a voting model for issues prescribed under the *National Transport Commission Act* 2003 and the National Marine Safety Committee's Intergovernmental Agreement.

Review findings

The Council has a full agenda with COAG-directed priorities, including the COAG Road Reform Plan and vehicle fuel efficiency measures. The Council has identified a number of key achievements endorsed by COAG, such as the establishment of the National Road Safety Council agreed by COAG in April 2009. Following COAG's agreement in July 2009 to establish single national systems of transport regulation, the Council has considered key matters that will inform National Partnership Agreements for each of the reforms. The Council also provided evidence of industry and community stakeholders' involvement in the development of Council's objectives.

The consensus among stakeholders was that the Council works well and 'does serious work.' It was also noted that the Council's senior officials' sub-committee, the Standing Committee on Transport, considers data well

Legislative or other Governance responsibilities

None identified

Current COAG-related work

- Tasked by COAG with developing a number of National Partnership Agreements in relation to the establishment of a single national system of transport regulation, under the COAG *National Partnership Agreement to Deliver a Seamless National Economy*.
- Provides advice and makes recommendations on chemicals and plastics policy as stated in the

Memorandum of Understanding for Chemicals and Plastics Regulatory Reform 2009, also under the COAG National Partnership Agreement to Deliver a Seamless National Economy.

- In relation to the COAG Road Reform Plan Report on Heavy Vehicle Charging: tasked with producing a feasibility study on mass distance location-based pricing to COAG by December 2011 and, subject to agreement, implementation of an alternative heavy vehicle charging regime by December 2014.
- Tasked with reporting to COAG on the progress of the measures flowing from the recommendations of the Vehicle Fuel Efficiency Report, which are to be included in the National Strategy for Energy Efficiency, under the COAG National Partnership Agreement on Energy Efficiency.

Recommendation

The Council should be retained. It is an effective Council and it has continuing work to do in relation to the COAG reform agenda.

Wet Tropics Ministerial Council

Council background

The Wet Tropics Ministerial Council was established in 1993. The Council's objective is to co-ordinate policy and funding of the Wet Tropics of Queensland between the Queensland and Commonwealth Governments at a ministerial level, and where appropriate, to liaise with the Wet Tropics Management Authority.

The Council has a rotating Chair and the Wet Tropics Management Authority, which is a permanent and independent body, provides Secretariat services to the Council. The Management Authority is located in Cairns.

The Commonwealth and Queensland are members.

Review findings

The Wet Tropics Ministerial Council was established as one of a suite of measures aimed at ensuring coordination between Queensland and the Commonwealth in the discharge of their joint responsibilities under the World Heritage Convention. The Ministerial Council provides a governance and accountability mechanism for the Wet Tropics Management Authority, which was also established at the same time.

There is a general correspondence between the work of the Wet Tropics Ministerial Council and the EPHC.

The Council has stated that some of its defined roles have become redundant, reflecting changes in the policy priorities of the two governments and broader changes in the relationship between the Commonwealth and the States in relation to World Heritage management.

The Council also advised that stakeholder involvement in the work of the Ministerial Council has been negligible in recent years. Most stakeholder engagement is conducted by the Wet Tropics Management Authority with briefings to relevant Ministers as required.

COAG already determined in 2007 that the Wet Tropics Ministerial Council should be abolished and its functions taken up by the EPHC.

Legislative or other Governance responsibilities

Yes, the Council's role and objectives are established in Schedule 1 of the *Wet Tropics World Heritage Protection and Management Act 1993* (Queensland). See Appendix 3.

Current COAG-related work

None identified

Recommendation

The Ministerial Council should be disbanded, with functions not already assumed by other bodies such as the Wet Tropics Management Authority transferred to an appropriate forum such as the EPHC.

Workplace Relations Ministers' Council

Council background

The Workplace Relations Ministers' Council was established in 1970 as the Labour Ministers' Council. Its objective is to provide a forum for Ministers to discuss workplace relations, workers' compensation and occupational health and safety issues of mutual interest and to make recommendations to Commonwealth, State and Territory Governments.

The Commonwealth Minister is the permanent Chair of the Council, with the hosting of each meeting rotating between jurisdictions. The Council has a permanent Secretariat that is located within the Commonwealth Department of Education, Employment and Workplace Relations.

The Commonwealth and all States and Territories are members of the Council; New Zealand has observer status at meetings. Decisions on occupational health and safety matters are made by voting; in contrast, there are no set voting arrangements for workplace relations matters (instead, decisions are made on a collaborative/consultative basis).

Review findings

A number of stakeholders expressed strong support for the Council.

Since November 2007, the Council has made substantial progress on occupational health and safety harmonisation and a national workplace relations system for the private sector. The Review questionnaire response noted the Council's crucial role in developing the *Fair Work Act 2009* and its subsequent transition legislation, recognising the key role the senior officials group of the Council played in progressing these reform processes.

Collegiate decision-making was cited by stakeholders as a contributor to success.

Legislative or other Governance responsibilities

None identified

Current COAG-related work

- Harmonisation of occupational health and safety legislation by 2011, as per the *Intergovernmental Agreement for Regulatory and Operational Reform in Occupational Health and Safety July 2008* under the COAG *National Partnership Agreement to Deliver a Seamless National Economy*.
- Provides advice and makes recommendations on chemicals and plastics policy as stated in the Memorandum of Understanding for Chemicals and Plastics Regulatory Reform 2009, also under the COAG National Partnership Agreement to Deliver a Seamless National Economy.

Recommendation

The Council has worked well in progressing reforms of national significance. The Council will continue to have a key role in this area.

Health Workforce Ministerial Council, Australian

Council background

COAG agreed to create the Australian Health Workforce Ministerial Council (AHWMC) at its 26 March 2008 meeting. Though the AHWMC Ministers have met, the Council will not be officially established until all jurisdictions have adopted the *Health Practitioner Regulation National Law Act 2009*. Thereafter, the AHWMC will be charged with implementing the National Registration and Accreditation Scheme for the Health Professions.

Recommendation

The Council could be incorporated into the Australian Health Ministers' Conference (see Recommendation for the Australian Health Ministers' Conference).

Appendix 3: Legislative Responsibilities of Ministerial Councils

A3.1 Councils which undertake legislative responsibilities but are not named in legislation:

Administration of Justice, Ministerial Council on – Intergovernmental Committee of the Australian Crime Commission

Section 9 of the *Australian Crime Commission Act 2002* establishes an 'Inter-governmental Committee' consisting of the Commonwealth Minister and State Ministers, but does not refer specifically to a Ministerial Council.

The *Act* provides the functions of the Inter-governmental Committee, which include monitoring the work and overseeing the strategic directions of the Australian Crime Commission and its Board.

Australian Health Ministers' Conference (AHMC)

While the Conference is not directly named in legislation, its officials group, the Australian Health Ministers' Advisory Council, is named in the *Australian Institute of Health and Welfare Act 1987*.

The *Act* provides that a member of the Institute be nominated by the Advisory Council. It also provides that if the Minister gives a direction to the Institute, the Minister must first consult with each relevant State Minister. However, this provision refers to Ministers rather than the AHMC itself.

Environment Protection and Heritage Council (EPHC)

The EPHC itself is not named in legislation, but its Secretariat and a sub-group are established in legislation. The Council was created by the Council of Australian Governments (COAG) in 2001 by an amalgamation of the National Environment Protection Council (NEPC) and other bodies. The NEPC is a sub-group of the EPHC, sharing the same Ministers and meeting concurrently. The NEPC and the EPHC are serviced by the same independent Secretariat, the NEPC Service Corporation.

The National Environment Protection Council Act 1994 establishes both the NEPC and the NEPC Service Corporation as statutory authorities and defines their roles and responsibilities. The Act stipulates that the annual report of the NEPC be given to the 'Ministerial Council' – but the term 'Ministerial Council' simply refers to a council that includes environmental protection in its functions.

Tertiary Education and Employment, Ministerial Council for (MCTEE)

The *Skilling Australia's Workforce Act 2005* does not mention the Council directly. However, it refers to the Ministerial Council that consists of the Ministers from the Commonwealth and those States that are party to the Skilling Australia's Workforce Agreement who have responsibility for vocational education and training, and has overall responsibility for the national training system.

Under the *Act*, the 'Ministerial Council' has a number of responsibilities. However, in 2008 its role was substantially incorporated into the National Agreement for Skills and Workforce Development as Schedule F of the IGA on Federal Financial Relations. This National Agreement refers to MCTEE's predecessor, the Ministerial Council for Vocational and Technical Education.

A3.2 Councils which are named in legislation but have no prescribed responsibilities:

Australian Health Workforce Ministerial Council (AHWMC)¹⁰⁶

The Council is named in the *Health Practitioner Regulation (Administrative Arrangements) National Law Act* 2008, which Queensland enacted on 25 November 2008 as the model legislation for other jurisdictions. The *Act* is the first stage in implementing the National Registration and Accreditation Scheme for the Health Professions.

The *Act* provides for the establishment of the administrative framework and national bodies for the National Registration and Accreditation Scheme for the Health Professions – including the AHWMC and the AHWMC Advisory Council – without giving full effect to their substantive functions.

¹⁰⁶ The AHWMC Ministers have met, but the Council is not yet included in the COAG Ministerial Council Compendium as all jurisdictions have not yet adopted the *Health Practitioner Regulation National Law Act* 2009.

Under the Act, the AHWMC may give directions on policies to the Australian Health Practitioner Regulation Agency and Board, approve health profession standards and make appointments related to accreditation.

The second stage legislation, the *Health Practitioner Regulation National Law Act* 2009, continues the administrative arrangements established under the first stage legislation and provides for the full operation of the National Scheme. The *Act* received royal assent on 3 November 2009 and will take effect on 1 July 2010, after each jurisdiction adopts the *Act* (as of 30 November 2009, Queensland, Victoria and New South Wales have passed Bills to this effect).

Natural Resources Management Ministerial Council (NRMMC)

The Council is named in the *Water Act 2007*, which provides that the Murray-Darling Basin Plan must be prepared in accordance with the *National Framework and Guidance for Describing the Ecological Character of Australia's Ramsar Wetlands* as endorsed by the NRMMC.

The *Fisheries Management Act 1991* requires a 'Ministerial Council on Forestry, Fisheries and Aquaculture' to nominate a selection panel member for board appointments to the Statutory Fishing Rights Allocation Review Panel. While the NRMMC has traditionally performed this role, it is possible that another Council could fulfill this requirement instead.

A3.3 Councils which have prescribed legislative responsibilities:

Australian Transport Council (ATC)

The ATC is named in the *National Transport Commission Act 2003*, which establishes the ongoing responsibilities of the National Transport Commission.

The *Act* provides that the Commonwealth Minister is to appoint members of the Commission on the nomination of the ATC, that the Commission is to provide reports and advice to the ATC, as directed by the ATC, and it enables the Minister to confer functions on the Commission, with the consent of the ATC.

These legislative arrangements are therefore important in providing a check on the Commonwealth's ability to direct the Commission.

Gene Technology Ministerial Council (GTMC)

The *Gene Technology Act 2000* enables the GTMC to issue policy principles, policy guidelines and codes of practice.

The *Act* defines 'Ministerial Council' by its meaning in the *Gene Technology Agreement* (a COAG Intergovernmental Agreement) – this being the GTMC.

Ministerial Council on Education, Early Childhood Development and Youth Affairs (MCEECDYA)

The Australian Curriculum, Assessment and Reporting Authority (ACARA) Act 2008 does not name MCEECDYA. The Act defines 'Ministerial Council' as the council of Commonwealth, State and Territory Ministers that is known as the Ministerial Council on Education, Employment, Training and Youth Affairs (MCEETYA) on the day on which that definition commenced. It also defines 'the Minister' in terms of membership on MCEETYA.

Under the *Act*, MCEETYA directs ACARA to undertake its work, approves nominations to the ACARA Board and receives annual reports from ACARA.

However, on 1 July 2009, MCEETYA was disbanded and MCEECDYA was created. MCEECDYA has since assumed the legislative responsibilities of its predecessor, as it could be interpreted that MCEECDYA satisfies the definition of 'Ministerial Council' as defined in the ACARA Act. [Note: the MCEECDYA Secretariat advises that there are no plans to amend legislation to reflect the transfer of responsibilities to MCEECDYA.]

Ministerial Council on Mineral and Petroleum Resources (MCMPR)

The MCMPR is named in the Offshore Petroleum Greenhouse Gas Storage Act 2006.

The *Act* requires the MCMPR to nominate appointments for the Chief Executive Officer and Board members of the National Offshore Petroleum Safety Authority, whereas the 'responsible Commonwealth Minister' is responsible for decision-making relating to appointments. The *Act* provides that a function of the National Offshore Petroleum Safety Authority Board is to give advice and make recommendations to the responsible Commonwealth Minister and the MCMPR.

The *Act* requires the Safety Authority and the Board to provide annual reports to the responsible Commonwealth Minister and the MCMPR.

A3.4 Councils which have moderate to extensive legislative responsibilities:

Australian and New Zealand Food Regulations Ministerial Council (ANZFRMC)

The ANZFRMC is named in the Food Standards Australia New Zealand Act 1991.

The *Act* prescribes functions for the ANZFRMC in the development, variation and review of food regulatory measures, including model food legislation that is used as a template by States and Territories.

Ministerial Council on Energy (MCE)

The MCE is named in the following legislation:

Under the *Australian Energy Market Commission Establishment Act 2004 (SA)*, the MCE is responsible for key appointments to the Australian Energy Market Commission (AEMC).

The *National Electricity (South Australia) (New National Electricity Law) Amendment Act 2005* and the *National Gas (South Australia) Act 2008* provide the MCE's role in relation to the AEMC.

Under these two Acts, the MCE may issue directions to the AEMC to review and make recommendations on specific areas of policy concern, particularly where the issues are nationally focused. The MCE may also issue statements of policy principles to the AEMC, which in accordance with the above two Acts, are a formal legal instrument that the AEMC must take into account when assessing rule change proposals.

In addition, the MCE has an indirect link to the *Trade Practices Act 1974*, which states that members of the Australian Energy Regulator (AER) must be nominated in accordance with the intergovernmental Australian Energy Market Agreement (AEMA). Under the AEMA, the MCE has the power to recommend certain appointments of members to the AER.

Murray-Darling Basin Ministerial Council (MDBMC)

The MDBMC is established by the Murray-Darling Basin Agreement, Schedule 1 to the *Water Act 2007* (as amended).

Under the *Act*, the MDBMC has extensive responsibilities, particularly in relation to the Basin Plan. It has advisory and monitoring roles regarding the Basin Plan, as well as policy and decision-making roles for other matters.

Wet Tropics Ministerial Council (WTMC)

The WTMC is named in the *Wet Tropics World Heritage Protection and Management Act 1993 (Queensland)*. Under the *Act*, responsibilities of the Council include: co-ordination of policy and funding; nominating the Chair of the Board of the Wet Tropics Management Authority to the Queensland Governor; recommending funding appropriations from respective governments; approving draft budgets; recommending management plans to the Queensland Governor and approving the Authority's annual reports for transmission to Parliament.

A3.5 Councils which have no legislative responsibilities

Aboriginal & Torres Strait Islander Affairs, Ministerial Council for

Ageing, Ministerial Conference on

Australian Procurement & Construction Council

Commonwealth, State, Territory & New Zealand Conference on the Status of Women

Community & Disability Services Ministers' Conference

Consumer Affairs, Ministerial Council on

Corporations, Ministerial Council for

Corrective Services Ministers' Conference

Cultural Ministers Council

Drug Strategy, Ministerial Council on

Federal Financial Relations, Ministerial Council for

Gambling, Ministerial Council on

Great Barrier Reef Ministerial Council

Housing Ministers' Conference

Immigration & Multicultural Affairs, Ministerial Council on

International Trade, Ministerial Council on

Local Government & Planning Ministers' Council

Online & Communications Council

Police & Emergency Management, Ministerial Council for - Emergency Management

Police & Emergency Management, Ministerial Council for - Police

Primary Industries Ministerial Council

Regional Development Council

Small Business Ministerial Council

Sport & Recreation Ministers' Council

Standing Committee of Attorneys-General

Tourism Ministers' Council

Workplace Relations Ministers' Council

Appendix 4: Non-Commonwealth, State or Territory Membership of Ministerial Councils

MEMBER	New Zealand	Papua New	Norfolk Island	East Timor	ALGA
COUNCIL:	Observer	Guinea			Observer
Aboriginal and Torres Strait Islander Affairs Administration of Justice - Corrective Services	Member				Observer
Administration of Justice - Corrective Services Administration of Justice - Australian Crime Commission	Wichidel				
	Member				Member
Administration of Justice - Emergency Management Administration of Justice - Police	Member				Member
	Wiember				
6. Attorneys-General - Corporations7. Attorneys-General - Standing C'tee of Attorneys-General	Member				
8. Consumer Affairs	Member				
	Member	Observer	Observer		Member
9. Cultural Minister		Observer	Observer		Member
10. Drug Strategy	Observer	01	01	01	
11. Education, Early Childhood Development & Youth Affairs	Observer	Observer	Observer	Observer	
12. Energy	Observer	Observer	Observer		01
13. Environment Protection and Heritage	Member	Observer			Observer
14. Federal Financial Relations	26.1				
15. Food Regulation, Australian and New Zealand	Member		3.6		
16. Gambling			Member		
17. Gene Technology					
18. HACDS – Ageing	Member				Member
19. HACDS – Health	Observer				
20. HACDS – Community and Disability Services	Member	Observer			
21. Housing Minister' Conference	Observer				Member
22. Immigration and Multicultural Affairs	Observer		Observer		Observer
23. International Trade					
24. Local Government and Planning	Member				Member
25. Mineral and Petroleum Resources	Observer	Observer		Observer	
26. Natural Resources Management	Member	Observer			Observer
27. Online and Communications					Member
28. Primary Industries	Member	Observer			
29. Procurement and Construction	Member				
30. Regional Development	Member				Member
31. Small Business	Member				
32. Sport and Recreation	Member	Member			
33. Status of Women	Member				
34. Tertiary Education and Employment					
35. Tourism	Member	Observer	Observer		
36. Transport	Member	Observer			Observer
37. Workplace Relations	Observer				
OTHER FORA					
38. Great Barrier Reef					
39. Murray-Darling Basin					
40. Wet Tropics					

Appendix 5: List of Ministerial Councils from the 1992 Council of Australian Governments Ministerial Councils Compendium

	ABORI	1.	AND TORRES STRAIT ISLANDER COMMISSION Australian Aboriginal Affairs Council
	ADMIN	NISTR <i>i</i>	ATIVE SERVICES
		2.	Ministerial Council on Common Services
			Provision
		3.	Ministerial Meeting on Construction5
	ARTS,		RT, THE ENVIRONMENT AND TERRITORIES
		4.	Australian and New Zealand Environment and Conservation Council
		5.	Cultural Ministers' Council9
		6.	Great Barrier Reef Ministerial Council11
		7.	Sport and Recreation Ministers' Council13
		8.	Tasmanian World Heritage Area Ministerial
		9.	Council
	a ጥጥOF	NEV-G	GENERAL
0.	ALION	10.	Australian Police Ministers' Council19
		11.	Corrective Services Ministers' Conference21
		12.	Inter-governmental Committee on the
			National Crime Authority23
		13.	Ministerial Council for Corporations25
		14.	Standing Committee of Attorneys-General27
		15.	Standing Committee of Censorship Ministers29
		16.	Standing Committee of Consumer Affairs Ministers31
	EMPT.C	VMENT	. EDUCATION AND TRAINING
		17.	Australian Education Council
		18.	Ministerial Council on Vocational Education.
			Employment and Training (known as MOVEET)35
		19.	Youth Ministers' Council37
	HEALT	н, нс	USING AND COMMUNITY SERVICES
		20.	Australian Health Ministers' Conference39
		21.	Australian Housing Council43
		22.	Australian Housing Research Council45
		23.	Council of Social Welfare Ministers47
		24.	Housing Ministers' Conference
		25. 26.	Ministerial Council on Drug Strategy51 National Food Standards Council53
		27.	Planning Ministers' Conference55
		27.	ridining ministers conference
	IMMIG		N, LOCAL GOVERNMENT AND ETHNIC AFFAIRS
		28.	Albury-Wodonga Ministerial Council57
		29.	Conference of Ministers for Immigration and Ethnic Affairs59
		30.	Local Government Ministers' Conference61
	TNDIIC	ያ የተ	RELATIONS
	T14D02		Conference of Commonwealth and State Labour
		J	Ministers (known as MOLAC)63

INDUSTRY,	TECHNOLOGY AND COMMERCE
32.	Australian Industry And Technology Council65
33.	Meeting of Commonwealth, State, Territory and
,	New Zealand Ministers Responsible for
•	Small Business67
	Small business
PRIMARY IN	NDUSTRIES AND ENERGY
34.	Agricultural Council of Australia and
	New Zealand69
35.	Australian Coal Industry Council
36.	Australian Fisheries Council
37.	Australian Forestry Council77
38.	Australian and New Zealand Minerals and Energy
30.	Council79
	COUNCIL
39.	Australian Soil Conservation Council81
40.	Australian Water Resources Council83
41.	Murray-Darling Basin Ministerial Council85
42.	Rural Adjustment Scheme Ministers' Meeting87
	ISTÉR AND CABINET
43.	Council of Australian Governments89
44	Commonwealth/State Ministers' Conference on
, -,	the Status of Women91
TOURISM	
45.	Tourism Ministers' Council93
45.	Todiism Ministers Codnori
mp a MCDOD#	AND COMMUNICATIONS
46.	Australian Transport Advisory Council95
	Ministerial Council for Road Transport97
47.	ministerial Council for Road Transport
TREASURY	
48.	Australian Loan Council99

Appendix 6: Extract from Council of Australian Governments (COAG) Senior Officials Meeting, 27 April 2001

COAG Senior Officials Meeting, 27 April 2001 AGENDA PAPER: REVIEW OF MINISTERIAL COUNCILS

Background

COAG Decision

At the 13 October 2000 COAG Senior Officials meeting, it was proposed that the growing number of Commonwealth-State Ministerial Councils was a matter that warranted consideration by COAG.

On 3 November 2000 COAG agreed to establish a working group of Senior Officials to prepare a report on the number and role of Ministerial Councils, with a view to streamlining and improving decision making and policy oversight. COAG also agreed that the working group would report back to COAG at its next meeting.

The working group formed represented all jurisdictions and the Australian Local Government Association and was chaired by Victoria. ...

Issues

COAG had previously considered the issue of the number of Ministerial Councils in 1993 when it was agreed to rationalise the number of Ministerial Councils from 45 to 21. Since then the number of Ministerial Councils has increased to 31. There are also 11 other Ministerial Fora. In addition, there are proposals for Ministerial Councils in areas such as Gene Technology, Disabilities, Juvenile Justice, Emergency Services and Energy.

Concerns about the number of Ministerial Councils have arisen from:

- their proliferation since the last review and recent proposals for further Councils;
- demands on Ministers' time, especially where long travel times are involved;
- multiple portfolio responsibilities of Ministers in smaller jurisdictions; and
- resource implications of Secretariats.

Some jurisdictions have also expressed concern about the effectiveness of Ministerial Councils being undermined by:

- processes of agenda-setting;
- the untimely provision of agenda papers;
- insufficient time between meetings of officials and Ministerial Councils.

The latter two concerns minimise the capacity of Ministerial Councils to make decisions in circumstances in which Cabinet consideration is essential. One option proposed for

addressing this issue is to amend the Protocols for the Operation of Ministerial Councils to include a requirement that agenda papers be circulated some weeks in advance, and that papers only be accepted after the cut-off date with the agreement of a majority of jurisdictions. ...

Structure of Ministerial Councils

- ... The working group has identified three possible options for rationalising the current number of Ministerial Councils. These are:
- Option 1 Status Quo;
- Option 2 Reductions and Mergers (status quo with limited reductions and merging of existing Councils), leaving 25 Councils. This option has three components...:
 - a) dissolve the less active Councils;
 - b) merge overlapping Councils;
 - c) bring a number of Councils under the umbrella of broader Councils.....
- Option 3 Portfolio Model (limited reductions and mergers, plus further amalgamations based on portfolio structures and similarities in policy content). This is a relatively radical option which is broadly consistent with existing portfolio arrangements in some, but not all jurisdictions. It is presented to stimulate discussion about alternative options, but would require considerable further development and consultation before it could be put to COAG. ...

Appendix 7: Ministerial Councils and the Council of Australian Governments' (COAG) Current Reform Agenda

	Council	Work Relating to the COAG Reform Agenda
1.	Aboriginal and Torres Strait Islander Affairs	-
2.	Corrective Services	-
3.	Australian Crime Commission	-
4.	Emergency Management	Links to Natural Disaster Arrangements reform agenda.
5.	Police	-
6.	Corporations	Tasked to work on Director's Liability, one of 27 regulatory reforms under the <i>National Partnership Agreement to Deliver a Seamless National Economy</i> .
7.	Standing Committee of Attorneys-General	Progressed work under the National Partnership Agreement to Deliver a Seamless National Economy regarding national regulation of trustee corporations and the establishment of a national personal property securities system, including development of the Personal Property Securities Law Agreement 2008. Undertaking work on a National Aboriginal and Torres Strait Islander Safe Communities Strategy under the National Indigenous Reform Agreement in consultation with the COAG Working Group on Indigenous Reform. Also working on National Legal Profession Reform.
8.	Consumer Affairs	Progressed work for the COAG Business Regulation and Competition Working Group (BRCWG) on: consumer policy framework, including the <i>Intergovernmental Agreement for the Australian Consumer Law 2009</i> ; product safety regulation; trade measurement; licensing of tradespeople; registering business names; regulation of margin lending, mortgage broking, non-deposit initiatives and remaining areas of consumer credit; and wine labelling under the <i>National Partnership Agreement to Deliver a Seamless National Economy</i> .
9.	Cultural Ministers	Developed the National Arts and Disability Strategy in October 2009, which is linked to the National Disability Strategy under the <i>National Disability Agreement</i> .
10.	Drug Strategy	Worked on a report on binge drinking.
11.	Education, Early Childhood Development & Youth Affairs	 Responsible for the monitoring and/or implementation of a number of aspects arising from: the National Agreement on Education and the National Agreement on Indigenous Reform; and National Partnership Agreements on: Low Socio-Economic Status School Communities; Improving Teacher Quality; Literacy and Numeracy; Youth Attainment and Transitions (in conjunction with the Ministerial Council on Tertiary Education and Employment); Early Childhood Education; and Closing the Gap: Indigenous Early Childhood Development. Also responsible for elements of: National Early Learning Framework; National Early Childhood Development Strategy; Indigenous Education Action Plan and the National Curriculum.

12.	Energy	Responsible for implementing most measures under the National Strategy on Energy Efficiency under the National Partnership Agreement on Energy Efficiency. Progressed work on energy reforms under the National Partnership Agreement to Deliver a Seamless National Economy.
13.	Environment Protection and Heritage	National Waste Policy, undertaken by the Council, contributes towards reform under the National Partnership Agreement to Deliver a Seamless National Economy. Provides advice and makes recommendations on chemicals and plastics policy per the Memorandum of Understanding for Chemicals and Plastics Regulatory Reform 2009, an initiative under the National Partnership Agreement to Deliver a Seamless National Economy.
14.	Federal Financial Relations	Has responsibility for the operation of the Intergovernmental Agreement on Federal Financial Relations 2008 including ensuring to the fullest extent possible that National Agreements and National Partnerships comply with the design principles set out in the Intergovernmental Agreement. Progressing work on licensing of tradespeople under the National Partnership Agreement to Deliver a Seamless National Economy Tasked to develop a housing supply and affordability reform agenda.
15.	Food Regulation	Implementing the food regulation priorities of the National Partnership Agreement to Deliver a Seamless National Economy
16.	Gambling	-
17.	Gene Technology	-
18.	Ageing	-
19.	Health	Responsible for the monitoring and/or implementation of the <i>National Healthcare Agreement</i> and National Partnerships on Preventative Health; Hospital and Health Workforce Reform; and Closing the Gap in Indigenous Health. Provides advice and makes recommendation on chemicals and plastics policy as stated in the <i>Memorandum of Understanding for Chemicals and Plastics Regulatory Reform 2009</i> , an initiative under the <i>National Partnership Agreement to Deliver a Seamless National Economy</i> .
	Health Workforce ¹⁰⁷	Roles and responsibilities are set out in the Intergovernmental Agreement for a National Registration and Accreditation Scheme for Health Professions 2008. This is an initiative under the National Partnership Agreement to Deliver a Seamless National Economy.

¹⁰⁷ The Australian Health Workforce Ministerial Council (AHWMC) Ministers have met, but the Council is not yet included in the COAG Ministerial Council Compendium as all jurisdictions have not yet adopted the *Health Practitioner Regulation National Law Act 2009*.

20.	Community and Disability Services	Responsible for the monitoring and/or implementation of the <i>National Disability Agreement</i> .
21.	Housing Ministers' Conference	 Responsible for: the National Affordable Housing Agreement and the National Partnership Agreements on: a) Homelessness; b) Remote Indigenous Housing; and c) Social Housing. the Social Housing initiative of the Nation Building and Jobs Plan National Partnership Agreement.
22.	Immigration and Multicultural Affairs	-
23.	International Trade	-
24.	Local Government and Planning	Progressing work on Development Assessment, an element of the National Partnership Agreement to Deliver a Seamless National Economy.
25.	Mineral and Petroleum Resources	Undertaken work in oil and gas regulation and the mine safety framework, two reform areas of the <i>National Partnership</i> Agreement to Deliver a Seamless National Economy.
26.	Natural Resources Management	The Water Sub-Group, under the recently disbanded Climate Change and Water COAG Reform Agenda Working Group, is progressing the COAG water reforms and reports to the Council.
27.	Online and Communications	Facilitating objectives to close the gap on Indigenous disadvantage in relation to communications infrastructure.
28.	Primary Industries	Provides advice and makes recommendations on chemicals and plastics policy as stated in the <i>Memorandum of Understanding for Chemicals and Plastics Regulatory Reform 2009</i> , an initiative under the <i>National Partnership Agreement to Deliver a Seamless National Economy</i> .
29.	Procurement and Construction	Has responsibilities under the <i>National Partnership Agreement on Energy Efficiency</i> signed by COAG on 2 July 2009. Council officials and officials from the Ministerial Council on Energy are jointly progressing projects supporting the <i>National Strategy on Energy Efficiency</i> .
30.	Regional Development	-
31.	Small Business	Progressed work for the Business Regulation and Competition Working Group on registering business names and licensing of tradespeople under the <i>National Partnership Agreement to Deliver a Seamless National Economy</i> .
32.	Sport and Recreation	-
33.	Status of Women	-

34.	Tertiary Education and Employment	Is the key decision-making body and has overall responsibility for the National Training System under the National Agreement for Skills and Workforce Development. Responsible for oversight of implementation of the National Partnership Agreement on Productivity Places Program. It has had limited involvement with the National Partnership Agreement on Youth Attainment and Transitions. The Productivity Development Data Group (which replaced the Productivity Agenda Working Group Data Sub-Group) works to both the Council and the Ministerial Council on Education, Early Childhood Development & Youth Affairs.
35.	Tourism	-
36.	Transport	Developed a National Partnership to Establish a National Road Safety Council. Progressing work on maritime safety, rail safety regulation and national transport policy, all reform elements under the
37.	Workplace Relations	National Partnership Agreement for a Seamless National Economy. Provides advice and makes recommendation on chemicals and plastics policy as stated in the Memorandum of Understanding for Chemicals and Plastics Regulatory Reform 2009, an initiative under the National Partnership Agreement to Deliver a Seamless National Economy. Progressing work under the National Partnership Agreement on Energy Efficiency. Has been given responsibilities under the Intergovernmental Agreement for Regulatory and Operational Reform in Occupational Health and Safety – July 2008, to harmonise OH&S legislation by 2011 which falls within the National Partnership Agreement to Deliver a Seamless National
		Economy program. Provides advice and makes recommendation on chemicals and plastics policy as stated in the Memorandum of Understanding for Chemicals and Plastics Regulatory Reform 2009, another initiative under the National Partnership Agreement to Deliver a Seamless National Economy.
	OTHER FORA	
38.	Great Barrier Reef	-
39.	Murray-Darling Basin	Progressing work on the Murray-Darling Basin Reform.
40.	Wet Tropics	-
41.	COAG Business Regulation and Competition Working Group	Charged with primary responsibility for implementing the National Partnership Agreement to Deliver a Seamless National Economy, which aims to reduce the level of unnecessary regulation and inconsistent regulation across jurisdictions. Several Ministerial Councils are working with the Working Group to implement the Agreement.
42.	COAG Working Group on Indigenous Reform	Charged with primary responsibility for the <i>National Indigenous Reform Agreement</i> and for working with relevant portfolios on National Agreements in relation to the Closing the Gap strategy.

Appendix 8: Ministerial Councils and Intergovernmental Agreements <u>Not</u> Under the Current Council of Australian Governments (COAG) Reform Agenda

	Council	Intergovernmental Agreements Not Under the COAG Reform Agenda
1.	Aboriginal and Torres Strait Islander Affairs	-
2.	Corrective Services	Agreement Concerning the Establishment of the National Corrective Services Statistics Unit (1999)
3.	Australian Crime Commission	-
4.	Emergency Management	-
5.	Administration of Justice - Police	Agreement Concerning the Establishment of the Australian and New Zealand Policing Advisory Agency (2007)
		Intergovernmental Agreement for the Establishment and Operation of Crimtrac (2000)
		Agreement Concerning the Establishment of the National Institute of Forensic Science (1991)
		Agreement Concerning the Establishment of the National Crime Statistics Unit (1990)
6.	Attorneys-General - Corporations	Corporations Agreement (2002)
7.	Standing Committee of Attorneys-	Defamation Intergovernmental Agreement (2005)
	General	Intergovernmental Agreement on Co-operative Legislative Scheme for Censorship in Australia (1995)
		Agreement Concerning the Establishment of the National Criminal Court Statistics Unit (1994)
8.	Consumer Affairs	Agreement on the Adoption of Uniform Trade Measurement Legislation and Administration (1990)
9.	Cultural Ministers	-
10.	Drug Strategy	-
11.	Education, Early Childhood Development & Youth Affairs	-
12.	Energy	Inter-Governmental Agreement in Relation to a National Liquid Fuel Emergency (2006)
		Australian Energy Market Agreement (2004)
		Memorandum of Understanding in Relation to Natural Gas Supply Shortages Affecting Jurisdictions with Interconnected Gas Supply Networks and the Use of Emergency Powers (2004)
13.	Environment Protection and Heritage	Intergovernmental Agreement on the Environment (1992)
14.	Federal Financial Relations	Intergovernmental Agreement on the Reform of Commonwealth-State Financial Relations Schedule 1 of the Intergovernmental Agreement Implementation (GST) Act (2000)
15.	Food Regulation	Food Regulation Agreement (2008)
16.	Gambling	-
17.	Gene Technology	Gene Technology Agreement (2008)
18.	Ageing	-

19.	Health	National Health Security Agreement (2008)
		Intergovernmental Agreement for a National Registration and Accreditation Scheme for the Health Professions (2007)
		Research Involving Human Embryos and Prohibition of Human Cloning Agreement (2004)
		National Strategic Framework for Aboriginal and Torres
		Strait Islander Health (2003)
		National Blood Agreement (2002)
20.	Community and Disability Services	-
21.	Housing Ministers' Conference	-
22.	Immigration and Multicultural Affairs	-
23.	International Trade	-
24.	Local Government and Planning	Intergovernmental Agreement Establishing Principles Guiding Inter-Governmental Relations on Local Government Matters (2006)
25.	Mineral and Petroleum Resources	-
26.	Natural Resources Management	Intergovernmental Agreement on a National System for the Prevention and Management of Marine Pest Incursions (2005)
		Intergovernmental on a National Water Initiative (2004)
		National Action Plan for Salinity and Water Quality (2000)
27.	Online and Communications	-
28.	Primary Industries	Memorandum of Understanding: National Response to a Foot and Mouth Disease Outbreak (2002)
29.	Procurement and Construction	-
30.	Regional Development	-
31.	Small Business	-
32.	Sport and Recreation	-
33.	Status of Women	-
34.	Tertiary Education and Employment	-
35.	Tourism	Tourism Collaboration Intergovernmental Agreement (2004)
36.	Transport	Intergovernmental Agreement on Surface Transport Security (2005)
		Intergovernmental Agreement for Regulatory and Operational Reforms in Road, Rail and Intermodal Transport (2003)
		Inter-Governmental Agreement on the National Plan to Combat Pollution of the Sea by Oil and other Noxious and Hazardous Substances (2002)
		Intergovernmental Agreement for a National Marine Safety Regulatory Regime (1997) (as amended)
37.	Workplace Relations	-

	OTHER FORA	
38.	Great Barrier Reef	The Great Barrier Reef Intergovernmental Agreement (2009)
39.	Murray-Darling Basin	Murray-Darling Basin Intergovernmental Agreement (2007) (as amended)
		Supplementary Intergovernmental Agreement on Addressing Water Over-allocation and Achieving Environmental Objectives in the Murray-Darling Basin (2006)
		Intergovernmental Agreement on Addressing Water Over- allocation and Achieving Environmental Objectives in the Murray-Darling Basin (2004) (as amended)
40.	Wet Tropics	Management Scheme Intergovernmental Agreement for the Wet Tropics of Queensland World Heritage Area: Schedule 1, Wet Tropics World Heritage Protection and Management Act (1993) (Queensland)

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Appendix 9: Questionnaire

COUNCIL OF AUSTRALIAN GOVERNMENTS

REVIEW OF MINISTERIAL COUNCILS

QUESTIONNAIRE

July 2009

The Hon []

Chair Minister for [] Address block 1 Address block 2 CITY STATE POSTCODE

Dear Minister,

In broad terms our federal system has served Australia well and has proved to be a stable yet suitably flexible framework for governing the nation.

Over the last fifty years, Ministerial Councils have contributed to the working of our federation, providing a co-operative framework through which issues of national importance can be considered and progressed.

In recent years the number of Ministerial Councils has grown to over 40. The Council of Australian Governments (COAG) has determined that a reflective review of the Ministerial Council system is required to ensure it continues to be an effective mechanism for addressing contemporary challenges and opportunities that require a collective response in specific policy areas.

I have been appointed by the Prime Minister, in his capacity as Chair of COAG, to undertake the review.

The review will be guided by the following Terms of Reference agreed by COAG:

Scope of the Review

- 4. The reviewer will report and make recommendations to COAG on options for rationalising Ministerial Councils.
- 5. The reviewer will have regard to the following issues:
 - e. responsiveness and accountability of Ministerial Councils to COAG including administrative efficiency and transparency of their operations;

- f. measures to improve efficiency and effectiveness of Ministerial Council arrangements;
- g. the net benefits of streamlining some Ministerial Councils to align directly with National Agreements; and
- h. the net benefits of streamlining remaining Ministerial Councils on the basis of strategic integration of issues outside those covered under the national agreements and to support efficient and effective decision making.
- 6. In undertaking the task, the reviewer will:
 - c. take into account the views of all Ministerial Council members including those from other countries such as New Zealand, as well as secretariats supporting the Councils; and
 - d. have regard to the protocols and principles for the operation of Ministerial Councils, set out in the Council of Australian Governments' Commonwealth-State Ministerial Councils: Compendium.

The attached questionnaire is the first step in the review process and will be used to guide future targeted consultations, leading to a final report to COAG by the end of 2009.

Your response to the questionnaire would be appreciated by Friday 14 August 2009.

Allan Hawke

Clean Hanlo

INFORMATION FOR QUESTIONNAIRE RESPONDENTS

This Questionnaire is the first step in the review process.

Responses to the Questionnaire will be used in the development of an issues paper that will inform targeted consultation with Ministerial Councils and other key stakeholders. These will then lead into the development of the recommendations for COAG consideration.

The Questionnaire has been structured around several of the key Terms of Reference. In addition to responding to the specific questions posed against each key area, Ministerial Councils are welcome to make general comments.

Responses to this Questionnaire will not be published but aspects of the submissions may be reproduced in public documents such as the final report to COAG.

If a submission or extracts of a submission are to be kept confidential, please indicate this in the submission cover sheet at Section Three of this Questionnaire.

A response is required by Friday 14 August 2009.

Submissions should include the completed Sections One, Two and Three and any relevant attachments. Please provide a signed hard copy and an electronic version as outlined below.

Original Signed Submission should be directed to:

Secretariat to the Review of Ministerial Councils Department of the Prime Minister and Cabinet PO Box 6500 CANBERRA ACT 2600

Electronic versions of the Submission should be e-mailed to:

MinisterialCouncilReview@pmc.gov.au

Questions about the review can be directed to the Ministerial Council Review Secretariat: <u>MinisterialCouncilReview@pmc.gov.au</u>

SECTION ONE

The following section includes specific questions to which your response would be appreciated. However, the questions are not intended to be limiting. If you would like to make additional comments you may do so at the end of the questionnaire under the section E. Additional Comments.

A. STRATEGIC FOCUS

Ministerial Councils are an important mechanism for intergovernmental decision making – often on complex issues. For this reason, COAG is interested in the extent to which each Ministerial Council is focused on developing and implementing a strategic response to issues, as well as the extent to which the current Ministerial Council system supports that focus.

- **A.1** Describe the process used to set and refine the objectives of your Ministerial Council including consideration of:
 - the national context and priorities;
 - consequences for and from other policy areas and/or Ministerial
 Councils; and
 - outcomes for Australians.

[enter response here]

- **A.2** Describe processes for setting your agenda including:
 - whether consideration is given to how agenda items meet the objectives of the Council; and
 - how issues are prioritised including emerging issues, urgent/topical issues and ongoing issues.

[enter response here]

- **A.3** What mechanisms are in place to share information with other Ministerial Councils or key stakeholders that may have an interest in similar issues?
 - Do other Councils or stakeholders contribute to the development of agenda and/or the achievement of outcomes.

[enter response here]

A.4 Does the Council have any links to, or responsibilities under, the COAG Intergovernmental Agreement on Federal Financial Relations, including National Agreements and National Partnership Agreements?

[enter response here]

B. EFFECTIVENESS

As part of the review, COAG is interested in examining ways to improve the Ministerial Council system. This will require consideration of effectiveness in the context of what has been achieved, the likelihood of future achievements, and the significance and strategic importance of the achievements.

- **B.1** Describe the key achievements of your Ministerial Council including:
 - the contributors to success; and
 - any unintended consequences (positive or negative).

[enter response here]

- **B.2** Describe any areas where the functioning of the Council might have been more effective and why.
 - For example, you may refer to capacity issues such as resourcing, breakdown in communication between relevant policy areas, the extent of stakeholder involvement or any other issues.

[enter response here]

B.3 How does the membership of the Council affect the capacity of the Council (positively or negatively) to make and implement decisions?

[enter response here]

- **B.4** There is a requirement for Ministerial Councils to undertake regular reviews of their operations;
 - describe changes that have been made as a result of these reviews;
 - does your Council operate more effectively as a result of the reviews?;
 - could the review process be improved; and
 - please provide a copy of your Council's latest review.

[enter response here]

B.5 The COAG ministerial compendium has been developed to provide broad guidelines and protocols for the operation of Ministerial Councils. The compendium can be found at http://www.coag.gov.au/ministerial_councils/index.cfm. It also contains information on individual Ministerial Councils.

Do you have any suggestions for its improvement?

[enter response here]		

C. ACCOUNTABILITY AND TRANSPARENCY

Accountability is about making sure that decisions are scrutinised and justified.

An important component of accountability is transparency. Information about policy objectives and decision making must be available to COAG and where appropriate, other stakeholders so that there is clarity around decisions and actions.

For the purposes of this review, accountability will be considered to encompass:

- accessibility of information about policy setting, decision making and performance;
- whether and how that information is used to promote better performance; and
- · how responsive Councils are to COAG.
- **C.1** Does the Council have legislative responsibilities? Please provide details.

[enter response here]

C.2 Describe the process for consulting and communicating with stakeholders for example, in relation to the work program, Council objectives, results of reviews or Council decisions.

[enter response here]

- **C.3** Does the Council have a workplan?
 - does the work plan include performance measures?
 - if so, how are they monitored?

[enter response here]

C.4 How often does the Council have contact with COAG and what is the nature of that contact?

[enter response here]

C.5 Does the Council have contact with the COAG secretariat, or other administrative areas of the Commonwealth Government? Please describe whom and the relationship.

[enter response here]

D. ADMINISTRATIVE EFFICIENCY

It is important that Ministerial Councils operate as efficiently as possible. COAG is interested in the extent to which Ministerial Council resources are being used efficiently to achieve their objectives and whether objectives are progressed in a timely manner.

- **D.1** Discuss any factors which impact on the Council's capacity to perform. Please consider the following in your response:
 - funding;
 - secretariat support arrangements;
 - whether the chair/secretariat is rotating and the benefits/disadvantages of that system;
 - mechanisms to ensure follow through and maintenance of corporate knowledge; and
 - any other.

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D.2 Describe any efficiency measures the Council has implemented for example, meetings through videoconferencing or teleconferencing and other use of technology or coordination with other Ministerial Councils.

E. ADDITIONAL COMMENTS

E.1 Please provide any additional comments here.

[enter response here]

SECTION TWO - SHORT RESPONSE QUESTIONNAIRE

Please provide a short response to the following questions or respond by ticking a box where appropriate.

•	Does the Council have a website?
	Yes No
•	Is the information on your Council's website up to date?
	☐ Yes ☐ No
•	How often does the Council review its website:
	Every month Every 3-6 months Every 12 months Irregularly
•	Is the information in the current April 2009 COAG Compendium correct in relation to your Council?
	Yes No
•	Is the Council co-chaired?
	Yes No
•	Who is the current chair and for what period?

•	What is the frequency of Council Meetings?
	On average less than once a year Once a year Twice a year More than two times a year
•	On average how long are the Council meetings [in hours]?
•	Two hours Four hours Over four hours Please select which of the following are produced on a regular basis:
	Annual report Council reviews Updates for the Compendium Contact detail updates Meeting resolutions Meeting communiqués Other (please list)
Co	mments:
•	How many staff are in the secretariat?
•	How many subgroups are there? Please list and/or attached a structure chart showing the subgroups and their relationship to each other and the Ministerial Council.
•	How many time-limited taskforces/working groups are there? Please list.

•	How many associated meetings of officials are there?

SECTION THREE - QUESTIONNAIRE RESPONDENT DETAILS

Details of person / organisation completing this questionnaire:

Ministerial Council/Secretariat:		
Street address:		
	State	&
Suburb/City:	P'cod	
Postal address:		
	State	&
Suburb/City:	P'cod	le:
Principal contact:		
Position:		
Phone:		
Fax:		
Mobile:		
Email address:		
Organisation:		
Street address:		
ase indicate here whether ticular ones:	extracts of the submission are to be kept confiden	itial and which
(Signature of author	ising person)	
(Date) / /2009		
(Name and title of au	thorising person)	

Thank you for taking the time to complete this questionnaire.

The Questionnaire is the first step in the review process and will be used to guide further targeted consultation leading to a final report to COAG at the end of 2009.

If you have any questions please contact MinisterialCouncilReview@pmc.gov.au .

Appendix 10: Full List of Consultations

1. Commonwealth

Name	Ministerial Council(s)
Albanese MP, the Hon Anthony	Local Government and Planning Ministers' Council; Transport Council, Australian; Regional Development Council
Bowen MP, the Hon Chris	Corporations, Ministerial Council for
Burke MP, the Hon Tony	Primary Industries Ministerial Council; Natural Resources Management Ministerial Council**
Butler MP, the Hon Mark	Food Regulation Ministerial Council, Australia and New Zealand
Conroy, Senator the Hon Stephen	Online and Communications Council
Crean MP, the Hon Simon	International Trade, Ministerial Council on
Elliot MP, the Hon Justine	Ageing, Ministerial Conference on
Emerson MP, the Hon Dr Craig ^	
Evans, Senator the Hon Chris	Immigration and Multicultural Affairs, Ministerial Council on
Ferguson AM MP, the Hon Martin	Energy, Ministerial Council on; Mineral and Petroleum Resources, Ministerial Council on
Garrett MP, the Hon Peter	Environment Protection and Heritage Ministerial Council; Great Barrier Reef Ministerial Council; Natural Resources Management Ministerial Council**
Gillard MP, the Hon Julia, represented by s 47F	Workplace Relations, Ministerial Council on; Tertiary Education and Employment, Ministerial Council on
Macklin MP, the Hon Jenny	Gambling, Ministerial Council on
McClelland MP, the Hon Robert	Police and Emergency Management, Ministerial Council for – Emergency Management
O'Connor MP, the Hon Brendan	Administration of Justice, Ministerial Council on - Intergovernmental Committee of the Australian Crime Commission
Swan MP, the Hon Wayne	Federal Financial Relations, Ministerial Council for
Tanner MP, the Hon Lindsay	
Wong, Senator the Hon Penny	Murray-Darling Basin Ministerial Council

^{**} Co-Chair

Senior Officials and ex-Senior Officials		
Name	Commonwealth Department	
s 47F	Former Secretary, Department of the Environment and Heritage	
Bird, Ms Gillian	Deputy Secretary, Department of Foreign Affairs and Trade	
Campbell PSM, Mr Ian	Secretary, Department of Veterans' Affairs	
s 47F	Infrastructure Coordinator, Infrastructure Australia	
Griew, Mr Robert	Associate Secretary, Department of Education, Employment and Workplace Relations	
Grimes, Dr Paul	Associate Secretary, Department of the Prime Minister and Cabinet	
Halton PSM, Ms Jane	Secretary, Department of Health and Ageing	
Harmer, Dr Jeff	Secretary, Department of Families, Housing, Community Services and Indigenous Affairs	
Harris, Mr Peter	Secretary, Department of Broadband, Communications and the Digital Economy	
Henry AC, Dr Ken	Secretary, The Treasury	
Kruk AM, Ms Robyn	Secretary, Department of the Environment, Water, Heritage and the Arts	
McGregor, Ms Carmel	Deputy Public Service Commissioner, Australian Public Service Commission	
Metcalfe, Mr Andrew	Secretary, Department of Immigration and Citizenship	
Moran AO, Mr Terry	Secretary, Department of the Prime Minister and Cabinet	
s 47F	Former Deputy Secretary, Department of the Prime Minister and Cabinet	
Mrdak, Mr Mike	Secretary, Department of Infrastructure, Transport, Regional Development and Local Government	
O'Connell, Dr Conall	Secretary, Department of Agriculture, Fisheries and Forestry	
O'Loughlin, Ms Mary Ann	Executive Councillor and Head of the Secretariat, COAG Reform Council	
Parkinson PSM, Dr Martin	Secretary, Department of Climate Change	
Paterson AO, Mr Mark	Secretary, Department of Industry, Innovation, Science and Research	
Pierce, Mr John	Secretary, Department of Resources, Energy and Tourism	
Pink, Mr Brian	Australian Statistician, Australian Bureau of Statistics	
Pratt PSM, Mr Finn	Secretary, Department of Human Services	
s 47F	Former Deputy Secretary, Department of Resources, Energy and Tourism	
Sheehan, Mr Tony	First Assistant Secretary, Department of the Prime Minister and Cabinet	
Tune, Mr David	Secretary, Department of Finance and Deregulation	
Watt, Dr Ian	Secretary, Department of Defence	

Weston, Ms Sue	Deputy Secretary, Department of Innovation, Industry, Science and Research
Wilson, Ms Serena	Deputy Secretary, Department of Families, Housing, Community Services and Indigenous Affairs

2. States and Territories

Ministerial Council Chairs and members	
Name	Ministerial Council(s)
Aird MLC, The Hon Michael*	Online and Communications Council
Constable MLA, the Hon Dr Elizabeth (WA)	Tourism Ministers' Council
Hames MLA, the Hon Dr Kim (WA)	Aboriginal and Torres Strait Islander Affairs, Ministerial Council for
Helper MP, the Hon Joe (VIC)	Small Business Ministerial Council
Hill MP, the Hon John (SA) (for Rann MP, Premier the Hon Mike)	Cultural Ministers Council
Holding MP, the Hon Tim (VIC)	Procurement and Construction Council, Australian
Llewellyn MP, the Hon David (TAS)	Ex-Mineral and Petroleum Resources, Ministerial Council on
Lomax-Smith MP, the Hon Dr Jane (SA)	Education, Early Childhood and Development and Youth Affairs, Ministerial Council on
McSweeney MLC, the Hon Robyn (WA)	Status of Women, Commonwealth, State, Territory and New Zealand Ministers' Conference on the
Merlino MP, the Hon James (VIC)	Sport and Recreation Ministers' Council
Neville MP, the Hon Lisa (VIC)	Community and Disability Services Ministers' Conference
Porter MLA, the Hon Christian (WA)	Corrective Services Ministers' Conference
Wynne MLA, the Hon Richard (VIC)	Housing Ministers' Conference
* Member, not Chair	

First Ministers and ex-First Ministers	
Name	Jurisdiction
Bartlett MHA, Premier the Hon David	Premier of Tasmania
Bligh MP, Premier the Hon Anna	Premier of Queensland
s 47F	Former Premier, Victoria
Brumby MP, Premier the Hon John	Premier of Victoria
s 47F	Former Premier, Western Australia
s 47F	Former Premier, New South Wales
s 47F	Former Premier, Western Australia; Deputy Chair, COAG Reform Council and Director of the Graduate School of Government, University of Sydney

s 47F	Former Premier, Queensland
Henderson MLA, Chief Minister the Hon Paul	Chief Minister of the Northern Territory
s 47F	Former Premier, New South Wales
Keneally MP, Premier the Hon Kristina	New South Wales
Rann MP, Premier the Hon Mike	Premier of South Australia
s 47F	Former Premier, New South Wales
Stanhope, Mr Jon	Chief Minister, Australian Capital Territory

Senior Officials and ex-Senior Officials	
Name	State or Territory Department
s 47F	Assistant Director, Department of Premier and Cabinet, Victoria
Burgess, Mr Mike	Chief Executive, Department of the Chief Minister, Northern Territory
s 47F	Manager, Inter-Governmental Relations, Department of the Chief Minister, Northern Territory
Conran, Mr Peter	Director General, Department of the Premier and Cabinet, Western Australia
Davies, Mr Ken	Deputy Chief Executive, Department of the Chief Minister, Northern Territory
Davoren, Ms Pam	Deputy Chief Executive, Chief Minister's Department, Australian Capital Territory
Eccles, Mr Chris	Secretary, Department of the Premier and Cabinet, South Australia
Edwards, Mr Rhys	Secretary, Department of the Premier and Cabinet, Tasmania
Johannes, Mr Greg	Deputy Secretary, Policy, Department of the Premier and Cabinet, Tasmania
s 47F	Acting Director, Inter-governmental Relations, Department of the Premier and Cabinet, Queensland
Menzies, Ms Jenny	Former Secretary, Council for the Australian Federation
s 47F	Acting Director, National Reform Unit, Department of the Premier and Cabinet, New South Wales
O'Reilly, Mr Brendan	Director-General, Department of the Premier and Cabinet, New South Wales
Page, Ms Stephanie	Executive Director, Intergovernmental Relations, Department of the Premier and Cabinet, South Australia
Philip, Dr Pradeep	Associate Director-General, Department of the Premier and Cabinet, Queensland
Silver, Ms Helen	Secretary, Department of Premier and Cabinet, Victoria
Smith, Mr David	Deputy Director General, Department of the Premier and Cabinet, Western Australia

Speagle, Mr Donald	Deputy Secretary, National Reform and Climate Change Group, Department of Premier and Cabinet, Victoria
Suggett, Dr Dahle	Deputy Director-General, Policy and Strategy, Department of Premier and Cabinet, New South Wales
s 47F	Former Chief Executive, Department of the Chief Minister, Northern Territory

3. Other

Ministerial Council Secretariats	
Name	Ministerial Council(s)
Foster, Ms Lesley	Secretary, Ministerial Council on Education, Early Childhood and Development and Youth Affairs
Harvey, Mr Peter	Secretary, Australian Health Ministers' Conference
s 47F	Executive Officer, Environment Protection and Heritage Council Secretariat
s 47F	Secretariat, Ministerial Council on Drug Strategy
Montgomery-Hribar, Mrs Jane	Executive Director, Australian Procurement and Construction Council

Academics	
Name	Position
s 47F	Deputy Dean, ANZSOG
s 47F	Lecturer, Flinders University
s 47F	Vice-Chancellor, University of Melbourne
s 47F	Dean, ANZSOG
s 47F	Professorial Associate, University of Melbourne
s 47F	Personal Chair, Faculty of Law, University of Melbourne
s 47F	Chair in Public Administration, ANZSOG
s 47F	Director, Centre for Governance and Public Policy, Griffith University

Industry / Independent	
Name	Organisation
Costello, the Hon Peter	Member, Future Fund Board of Guardians
s 47F	Chief Economist and Director, Policy, Business Council of Australia
s 47F	Chief Executive, Business Council of Australia
s 47F	Chairman, COAG Reform Council
s 47F	Chairman, MAp Airports Limited

s 47F	Chief Executive, Australian Industry Group
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International	
Name	Country
s 47F	High Commissioner, New Zealand High Commission
s 47F	High Commissioner, Papua New Guinea High Commission

Local Government	
Name	Organisation
s 47F	Chief Executive, Australian Local Government Association

Appendix 11: Written Submissions

Name	Capacity in which submission was made	
Barnsley, Mr Simon	Acting Secretary, Department of Health and Human Services, Tasmania; member of HACDSMC	
s 47F	Chair, Building Ministers' Forum	
Constable MLA, the Hon Dr Elizabeth (WA)	Chair, Tourism Ministers' Council	
Department of Communities, Queensland	Member of HACDSMC	
Gillard MP, the Hon Julia and Lomax-Smith MP, the Hon Dr Jane (SA)	Chair, Ministerial Council for Vocational and Technical Education (now the Ministerial Council for Tertiary Education and Employment) / Chair, Ministerial Council on Education, Employment, Training and Youth Affairs (now the Ministerial Council on Education, Early Childhood Development and Youth Affairs)	
Hehir, Mr Martin	Chief Executive, Department of Disability, Housing and Community Services, Australian Capital Territory	
Kruk AM, Ms Robyn	Secretary, Department of the Environment, Water, Heritage and the Arts	
s 47F	High Commissioner, New Zealand High Commission	
Lucas MP, the Hon Paul	Deputy Premier and Minister for Health, Queensland	
Ministerial Council on Energy		
s 47F	Project Director, National Registration and Accreditation Implementation Project, Australian Health Ministers' Advisory Council	
Pink, Mr Brian and Harper, Mr Peter	Peter Australian Statistician and Deputy Australian Statistician, Australian Bureau of Statistics	
Quinlivan, Mr Daryl Deputy Secretary, Department of Agriculture, Fish Forestry		
Rankine MP, the Hon Jennifer	Minister for Housing, South Australia; member of HACDSMC	
s 47F	Deputy Director-General, Health & Disability Systems Strategy Directorate, Ministry of Health, New Zealand / Manager, Global Health, Office of Director of Public Health, Health & Disability Systems Strategy Directorate, Ministry of Health, New Zealand	
s 47F	Chair, Disability Policy and Research Working Group	
Wynne MP, the Hon Richard	Chair, Housing Ministers' Conference; member of HACDSMC	

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Appendix 14: Acronyms

ACARA Australian Curriculum, Assessments and Reporting Authority

ACT Australian Capital Territory

AEMA Australian Energy Market Agreement
AEMC Australian Energy Market Commission
AEMO Australian Energy Market Operator

AER Australian Energy Regulator

AHMC Australian Health Ministers' Conference

AHWMC Australian Health Workforce Ministerial Council

ALGA Australian Local Government Association

ANZFRMC Australia and New Zealand Food Regulation Ministerial Council

APCC Australian Procurement and Construction Council

APH Australian Parliament House
ATC Australian Transport Council
BCA Business Council of Australia

BRCWG COAG Business Regulation and Competition Working Group

CAF Council for the Australian Federation

CEO Chief Executive Officer

COAG Council of Australian Governments
CPO Commonwealth Parliamentary Office

CRC COAG Reform Council

CSMC Corrective Services Ministerial Council

DAFF Department of Agriculture, Fisheries and Forestry

EPHC Environment Protection Heritage Council

FaHCSIA Department of Families, Housing, Community Services and Indigenous Affairs

FSANZ Food Standards Australia New Zealand GTMC Gene Technology Ministerial Council

HACDSMC Health, Ageing, Community and Disability Services Ministerial Council

IGA Intergovernmental Agreement

IGC-ACC Intergovernmental Committee of the Australian Crime Commission

MCAJ Ministerial Council on the Administration of Justice

MCATSIA Ministerial Council on Aboriginal and Torres Strait Islander Affairs

MCE Ministerial Council on Energy

MCEECDYA Ministerial Council on Education, Early Childhood Development and Youth Affairs

MCEETYA Ministerial Council for Education, Employment, Training and Youth Affairs

MCMPR Ministerial Council on Mineral and Petroleum Resources

MCPEM-EM Ministerial Council for Police and Emergency Management – Emergency

Management

MCPEM-P Ministerial Council for Police and Emergency Management- Police

MCTEE Ministerial Council for Tertiary Education and Employment MCVTE Ministerial Council for Vocational and Technical Education

MDBMC Murray-Darling Basin Ministerial Council

MinCo Ministerial Council

NCP National Competition Policy

NEMC National Emergency Management Committee
NEPC National Environment Protection Council
NLTTS National Long-Term Tourism Strategy

NRMMC Natural Resources Management Ministerial Council

NSEE National Strategy on Energy Efficiency

NT Northern Territory

OECD Organisation for Economic Co-operation and Development

PIMC Primary Industries Ministerial Council

PM&C The Department of the Prime Minister and Cabinet

QLD Queensland

RIS Regulatory Impact Statement

SA South Australia

SCAG Standing Committee of Attorneys-General SOG-EE Senior Officials Group on Energy Efficiency

SOM COAG Senior Officials' Meeting

SPP Specific Purpose Payment

TAS Tasmania

VET Vocational Education and Training

VIC Victoria

WA Western Australia

WGIR COAG Working Group on Indigenous Reform

WTMC Wet Tropics Ministerial Council