

Annexure 1

COUNCIL OF AUSTRALIAN GOVERNMENTS' MEETING**BRISBANE****7 DECEMBER 2009****COMMUNIQUÉ****PREAMBLE**

The Council of Australian Governments (COAG) held its 28th meeting in Brisbane today. The Prime Minister, Premiers, Chief Ministers and the President of the Australian Local Government Association were again joined by Treasurers for the meeting.

COAG agreed that national health reform would be a central priority for 2010. COAG discussed the current pressures on Australia's healthcare system, and emerging pressures including population ageing, health workforce constraints and rising health costs driven by technology and the increasing burden of chronic disease. COAG agreed that long-term health reform was required to deliver better services for patients, more efficient and safer hospitals, more responsive primary healthcare and an increased focus on preventative health.

COAG completed another key step in the development of a national e-health system, with the signing of an agreement to provide the legislative, governance and administrative framework for national healthcare identifiers. This framework will underpin the future development of a nationally-consistent electronic health system, ensuring better medical records for patients while protecting individual privacy. COAG also signed a National Partnership Agreement on Elective Surgery, which provides significant incentives for the States and Territories (the States) to reduce substantially the number of patients waiting longer than clinically-recommended times for elective surgery.

COAG signed a landmark agreement to drive higher quality early childhood education and care. Giving children the best possible start in life provides the foundation for better education in school and later in life, and delivers long-term social benefits. The National Quality Agenda for Early Childhood Education and Care will create new quality standards, including higher staff to children ratios and better trained carers and early childhood teachers with requirements phased in over the next decade. Through a new ratings system, parents will be given better information on the quality of childcare services so that they can make the best decisions for their children. Childcare providers will benefit from streamlined regulatory arrangements that cut red tape.

Since COAG last met in July the economic outlook has improved. This, in turn, has given added impetus to further reforming the vocational education and training (VET) sector, including actions to strengthen the trade apprenticeships system, recognising the need for a well-trained workforce as the economy recovers. COAG agreed to the establishment of a national VET regulator to drive better quality standards and regulation and to strengthen Australia's international education sector.

Driving microeconomic reform across all major sectors of the economy is at the forefront of COAG's agenda. In addition to the key early childhood, VET and health reforms progressed at its meeting today, COAG also marked important milestones in the implementation of the

Seamless National Economy initiative as well as in the development of national regulation for the transport sector. COAG also commissioned the development of a national housing supply and affordability reform agenda to be progressed as a matter of priority in 2010.

In relation to capital city strategic planning systems, COAG agreed that, by 1 January 2012, all States will have in place plans that meet new national criteria. The COAG Reform Council will independently review the consistency of capital city strategic planning systems against the new criteria during 2010 and 2011. A jointly appointed expert advisory panel will be established to support the COAG Reform Council.

The significant progress in implementing the Nation Building and Jobs plan and its positive economic impact was noted by COAG. COAG also reviewed the implementation of its other decisions since December 2007 and found that the majority are being implemented as agreed, with actions being taken to address the small minority of initiatives experiencing problems. COAG tasked Senior Officials to review whether suitable processes are in place to ensure that the initiatives facing implementation difficulties get back on track as soon as possible.

1. NATIONAL HEALTH REFORM PLAN AND OTHER HEALTH INITIATIVES

Health Reform

The Australian health system is among the world's best, with good results across a range of key measures including life expectancy, survival rates for cancer and cardiovascular disease, quality of primary care, efficiency and value for money. However, population growth and ageing and an increase in chronic disease and disability are driving the need for change, while costly technological advances and rising demand are exacerbating existing system pressures.

Governments are determined to pursue reforms in order to achieve better health services that keep Australians healthy longer and provide excellent care when and where needed.

COAG made substantial progress in 2008, delivering a package of reforms to the health and hospital system as part of the National Healthcare Agreement, which comprised a set of substantive directions for the next era, including:

- investing in prevention, health promotion and early intervention;
- giving emphasis to Indigenous health;
- rebalancing investment across the continuum of care, including sub-acute care capacity; and
- establishing outcome-focused key performance indicators across the health system.

For over two hours, Leaders discussed options for reforming Australia's health and hospitals system to deliver a healthier future for all Australians. COAG considered the recommendations of the National Health and Hospitals Reform Commission final report, the draft National Primary Care Strategy, and the National Preventative Health Strategy.

The Prime Minister identified the key issues raised through the Commonwealth's extensive consultations over recent months with practitioners and the Australian community on health reform. Premiers and Chief Ministers delivered overviews of particular strengths and opportunities for improvement in health care delivery in their jurisdiction.

COAG agreed to commence work immediately on the development of national health reform plan as a priority in 2010. The Prime Minister will correspond with First Ministers by the end of December 2009 recommending a decision-making process on long-term health and hospital reform. In this process the Commonwealth will actively engage with the States on the range of reform proposals canvassed by the National Health and Hospitals Reform Commission and related proposals. The Commonwealth's intention consistent with this process would be to put specific proposals to the States in the first half of 2010.

E-Health

Delivering a safe, patient-centred e-health system is one step closer today, with COAG affirming its commitment to the introduction in 2010 of national healthcare identifier numbers and agreeing to release for further consultation draft legislation for establishing the healthcare identifiers.

Healthcare identifiers are unique numbers that will be given to all healthcare providers, healthcare organisations and healthcare consumers. The healthcare identifier will enable a person's health information to be linked uniquely to them, no matter how many different health care providers they see. This new system will provide a new level of confidence when communicating patient information between private and government healthcare providers and systems.

COAG also considered feedback from the first phase of public consultations held in July-August 2009. Following these consultations and feedback, further work has been done on the identifiers to clarify and strengthen patient privacy, including limiting the use of information, clearly outlining who has access to information and providing penalties for any misuse of information.

COAG also agreed a National Partnership on e-Health, setting out the objectives and scope for the Healthcare Identifier Service to be operated by Medicare Australia, as well as relevant governance, legislative, administrative and financial arrangements. The identifiers are an important building block for the future introduction of a patient-controlled Individual Electronic Health Record.

National Partnership Agreement on Elective Surgery

As the next stage in COAG's elective surgery waiting list reduction plan, COAG agreed a National Partnership. The National Partnership provides for payments of up to \$300 million from the Commonwealth to States that improve their elective surgery delivery to meet performance benchmarks. Key objectives and targets under the National Partnership include:

- a substantial reduction in the number of patients waiting longer than clinically recommended times for elective surgery; and
- an increase in the number of elective surgery procedures undertaken in public hospitals.

The third and final Stage of the Elective Surgery Waiting List Reduction Plan builds upon the progress of the first two stages of the Plan. Stage One provided \$150 million in 2008 for an extra 25,000 elective surgery procedures to be delivered across Australia. This first stage was a success with more than 41,000 additional procedures undertaken by the end of December 2008, exceeding the target by 64 per cent.

Under the second stage of the Plan, a further \$150 million has been provided to support systemic change. This includes building works, such as new operating theatres, and the purchase of

surgical and medical equipment. These projects will help expand hospital capacity right across Australia to ensure more patients are treated within clinically-appropriate times.

2. PRODUCTIVITY AGENDA

Early Childhood Reform

Recognising the central importance of early childhood development to the wellbeing of Australia's children and to the future wellbeing and productivity of the nation, COAG agreed to a new National Quality Agenda for early childhood education and care and outside school hours care. This new framework will deliver better quality services and promote good educational and social outcomes for more than one million children attending long day care, family day care, outside school hours care and preschool. It will:

- improve interactions between children and carers based on better qualified staff and lower staff-to-child ratios which allow for more quality time to focus on individual children's needs;
- provide national uniform standards including in the areas of education, health and safety, physical environment and staffing; and
- introduce a new transparent ratings system which will provide parents with better information to compare easily services and make informed choices about which service best meets their child's needs.

This new national approach will replace the current licensing and accreditation processes undertaken by States and the Commonwealth. Under the new national framework, individual services will only deal with one organisation for quality assessment, reducing the regulatory burden on over 10,000 services.

A national body will guide the management of the framework, with administration of regulation undertaken by State agencies. The national body will be located in Sydney. Victoria will host the legislation for the new system.

The National Quality Standard will begin to be implemented from 1 July 2010, with full implementation from 1 January 2012. Responding to stakeholder concerns, services and families will have time to adjust to the changes, with the staff to child ratio and staff qualifications requirements implemented progressively over a number of years.

COAG has agreed to review the standards and effectiveness of implementation in 2014 with a view to further strengthening quality, especially in relation to children aged 0-24 months. This will include the challenges of workforce meeting these quality standards, particularly in regional, rural, and remote areas. The National Quality Agenda is the first major tranche of reform under the National Early Childhood Development Strategy agreed by COAG in July. It will contribute to the vision underpinning the Strategy that by 2020 all children have the best start in life to create a better future for themselves and for the nation.

Further details on the National Quality Agenda can be found at Attachment A.

Vocational Education and Training Reform

National Regulator

Raising productivity is a key focus of COAG's agenda, and education and training is critical to increasing the productivity of individual workers and the economy as a whole. Effective regulation of the VET sector acts as a key quality assurance mechanism for the skills base of Australia's workforce and facilitates labour mobility.

COAG today agreed to establish a national regulator for the VET sector. The regulator will be responsible for the registration and audit of registered training providers, and accreditation of courses, and will be established under Commonwealth legislation.

A national standards council will also be established to provide advice to the Ministerial Council for Tertiary Education and Employment on national standards for regulation, including registration, quality assurance, performance monitoring, reporting, risk, audit, review and renewal of providers, and accreditation of VET qualifications.

Victoria and Western Australia will continue to regulate providers operating in their States and will enact legislation to mirror the Commonwealth legislation. On a national basis, all providers wishing to operate in more than one jurisdiction or enrol international students in post-secondary educational institutions will be registered through the national regulator. This COAG decision is noted by Victoria and Western Australia.

The framework for the new national regulator will be negotiated through an agreement between governments by the end of May 2010 and the regulator will be operational from 2011.

Australian Quality Training Framework (AQTF)

Today COAG also agreed to amend the Australian Quality Training Framework (AQTF) urgently to strengthen the regulatory requirements underpinning the VET sector where weaknesses have become apparent in the international education sector. These amendments introduce conditions and standards for initial registration of new providers and strengthen the requirements for ongoing registration, including stronger financial viability and fee protection conditions. The revised AQTF will be in place for the re-registration of all international education providers in 2010, and will give greater consumer protection assurance to international students studying in Australia.

Implementation of amendments, including strengthening the AQTF national guidelines for risk management and managing non-compliance, will be led by the Ministerial Council for Tertiary Education and Employment for completion by March 2010.

National Student Identifier

Improving data collections for all education sectors is of critical importance to Australia. A national student identifier could track students as they progress through education and training and would further support a seamless schooling, VET and higher education experience for students. It would also provide valuable data to facilitate a VET system that is more responsive and flexible.

COAG gave its in-principle support for the introduction, from 2012, of a national unique student identifier for the VET sector that is capable of being fully integrated with the entire education

system, and could involve early childhood education. COAG agreed that the Ministerial Council for Tertiary Education and Employment will develop a business case for the introduction of a national unique student identifier and report back at its first meeting in 2010.

Australian Apprentices

Australia must ensure there is an appropriately trained and skilled workforce to respond as the economy recovers in the wake of the Global Financial Crisis.

COAG agreed to actions to maximise the number of apprentices who commence and who complete apprenticeships and to strengthen the apprenticeship system, including to:

- develop and implement a more seamless apprenticeship access, re-entry, deferral and support system;
- develop and implement nationally-consistent standards for training plans;
- develop and introduce a reformed pre-apprenticeship system with increased opportunities to engage the 2010 senior student and early school leaver cohort in early 2010 and in subsequent years;
- review apprenticeship and traineeship incentives to target better quality outcomes and commencement and retention of trade apprentices, including consideration of strengthened financial support for trade apprentices in areas of skill shortages;
- strengthen mentoring and support for out-of-trade apprentices and those at risk of losing their apprenticeships; and
- facilitate arrangements for effective implementation of competency-based progression and completion for apprentices.

Leaders also agreed that States would provide apprenticeship data to the National Centre for Vocational Education Research and would work with industry to undertake a nationally-consistent and targeted communication strategy on the benefits of the trades apprenticeship system.

Green Skills Agreement

COAG endorsed a new Green Skills Agreement that will deliver skills for sustainability in the Australian training system. The Agreement is a high-level statement of principles and desired outcomes which will lead to:

- national standards of sustainability practice and teaching in vocational training;
- the revision of Training Packages to include sustainability principles and competencies;
- the up-skilling of VET instructors and teachers in delivering sustainability skills; and
- implementation of a transition strategy to re-skill vulnerable workers.

Reports on Education and Skills and Workforce Development National Agreements

COAG welcomed the first two performance reports from the COAG Reform Council - the *National Education Agreement: Baseline performance report for 2008* and the *National Agreement for Skills and Workforce Development: Baseline performance report for 2008* - which were released publicly on 5 November 2009.

These two reports provide a baseline against which the COAG Reform Council will assess and report on governments' future performance under the two National Agreements. In setting the

baseline, the COAG Reform Council has highlighted important areas for improved performance. For example, the reports highlight the significant improvements necessary to meet COAG's commitment to Closing the Gap in Indigenous disadvantage, particularly in respect of literacy, numeracy and school retention.

The COAG Reform Council has also highlighted areas where existing data are inadequate for measuring progress under the National Agreements and has made a number of recommendations regarding how these areas should be addressed, which COAG has accepted.

3. NATIONAL YOUTH STRATEGY

COAG noted the Commonwealth's development of a National Strategy for Young Australians, which aims to enable all young Australians to grow up safe, healthy, happy and resilient, and that the Commonwealth will consult the States in developing key elements of the Strategy to ensure it is appropriately targeted and effective, and complements State action.

While the majority of Australia's young people are faring well, there are specific areas of concern identified in the *State of Australia's Young People* report, such as mental health wellbeing, binge drinking and youth violence, that would benefit from greater information sharing between jurisdictions on best-practice approaches.

Strategies to promote youth health and wellbeing are being progressed by the Australian Health Ministers Conference and COAG endorsed ongoing work through relevant Ministers to support health and well being in young people, including to:

- tackle cyber-bullying;
- build resilience and positive relationships among young people and the broader school community; and
- promote positive body image messages and practices.

COAG noted that the Ministerial Council on Drug Strategy finalised its report on binge drinking in late November 2009, and that this has been submitted for future COAG consideration.

Overall offending by juveniles has declined in the past 10 years, and most young people are responsible, law abiding individuals who make valuable contributions to our society. However, the incidence of violent offending by young people has increased in some jurisdictions. Further, males and females aged 15 to 24 experience assault at higher rates than any other age group in the Australian community.

All States are pursuing strategies to reduce alcohol-fuelled violence, covering education and awareness programs, positive activities and other support services to prevent youth offending and reoffending, regulation of licensed venues and policing and justice initiatives aimed at reducing, preventing and responding to youth crime and anti-social behaviour.

COAG endorsed the work of the Ministerial Council on Police and Emergency Management, noting that best-practice policing is one element of broader, holistic responses to youth offending. COAG asked Police Ministers to work together to further develop best-practice policing, the features of which could include:

- targeted police effort in areas with a history of anti-social and violent behaviour and weapons use;

- restorative justice conferencing, which can require young offenders to face their victims and confront the impact and consequences of their actions and complete community service and other reparations;
- bans to prevent serious and persistent offenders from entering entertainment precincts (containing licensed premises) and reducing access to alcohol through strict enforcement of licensing legislation; and
- ensuring that young people are dealt with by police as soon as possible following criminal incidents when they are still fresh in a young person's mind.

COAG noted that best-practice policing targets areas of greatest need, is developed in consultation with non law-enforcement agencies to address the diverse needs of young people, draws on Australian and international research on best practice, is informed by successful programs and is adaptable to jurisdictional circumstances.

4. CAPITAL CITY STRATEGIC PLANNING SYSTEMS

COAG today agreed to reforms to ensure our capital cities are well placed to meet the challenges of the future. National criteria for capital city strategic planning systems will provide the platform to re-shape our capital cities. The criteria will ensure our cities have strong, transparent and long-term plans in place to manage population and economic growth; plans which will address climate change, improve housing affordability and tackle urban congestion. They will also:

- provide for future-oriented and publicly available long-term strategic plans;
- be integrated across functions (for example, land-use, infrastructure and transport) and coordinated between all three levels of government;
- clearly identify priorities for future investment and policy effort by governments;
- provide for effective implementation arrangements and supporting mechanisms; and
- support and facilitate economic growth, population growth and demographic change.

The national objective and national criteria for the future strategic planning of Australia's capital cities are at Attachment B.

COAG agreed that by 1 January 2012 all States will have in place plans that meet the criteria and noted that the Commonwealth will link future infrastructure funding decisions to meeting these criteria. These reforms will secure better outcomes from investments of all governments and they will strengthen public confidence in planning systems.

The COAG Reform Council will independently review the consistency of capital city strategic planning systems with the new national criteria during 2010 and 2011. A jointly appointed, expert advisory panel will be established to support the COAG Reform Council in this work. The COAG Reform Council will also support continuous national improvement in capital cities strategic planning and build and share knowledge of best-practice planning approaches.

COAG recognised that all States are working to strengthen urban planning. The reforms adopted today will support all governments in working with communities and the private sector, to create productive, liveable and sustainable cities for the future.

5. HOUSING

Overall, housing supply has struggled to keep pace with recent growth in demand. Population growth is likely to mean continuing strong underlying demand for housing. Constraints on the supply side of the market need to be addressed if our cities are to adapt to projected population increases over the coming decades. COAG noted that Housing Ministers have made progress on housing reforms and will continue to work towards implementing key housing reforms agreed under the National Affordable Housing Agreement and National Partnership Agreements. Housing Ministers will report back to COAG in the first half of 2010 on further progress.

As a new initiative, COAG agreed to the development of a housing supply and affordability reform agenda led by Treasurers, through the Ministerial Council on Federal Financial Relations, for consideration in the first half of 2010. A working group comprising Treasury and First Ministers' officials (with representation from other agencies as necessary) will undertake this work. This reform agenda will be set against the broader operation of the housing market and the appropriate role for governments. It will build on the work currently underway by Housing Ministers, identifying opportunities for further reform and ensuring implementation of reforms to improve capital city strategic planning, development approvals and utilise the recently completed government land audits.

6. REGULATORY REFORM

Business Regulation and Competition

COAG marked further progress in several areas of its comprehensive microeconomic reform plan to reduce costs to businesses and consumers and contribute to productivity growth and improved living standards.

Further steps were taken on the delivery of a Seamless National Economy by the signing of a new intergovernmental agreement for national credit law, with this law to apply from 1 July 2010. This will deliver an essential step in establishing a national system for regulating the provision of credit to consumers. It will reduce the costs of businesses operating in more than one State and ensure that consumers face consistent credit regulations across the country.

On food regulation, COAG agreed to reform voting arrangements for the Australia and New Zealand Food Regulation Ministerial Council – subject to agreement with New Zealand – and agreed to the development of a new intergovernmental agreement on streamlining food regulation advice, which will be considered by COAG in mid 2010. These reforms will speed up decisions and create more certainty for business, without compromising food safety.

To ensure directors liability legislation operates fairly and is clearly justified, COAG agreed to principles for reviewing legislation that proposes liability on directors for corporate fault.

In July, COAG agreed to reforms of development assessment processes in order to help reduce building costs. These reforms included improved national planning principles and harmonised code-based development assessments for single residential dwellings. COAG today agreed implementation plans for these reforms and will receive a further report on extending code-based assessment to residential multi-unit and commercial and industrial buildings by early next year.

COAG agreed to integrate the plumbing code and the building code into a single more complete National Construction Code. This approach will speed up the realisation of benefits of having a

single national code and should reduce costs for builders as they will not have to comply with different requirements in different jurisdictions.

COAG also signed a Memorandum of Understanding on chemicals and plastics, which will establish a new governance framework to help achieve a streamlined and harmonised national regulatory system and ultimately reduce the regulatory burden on business.

To ensure that the regulatory burden on not-for-profit sector organisations is minimised, COAG agreed to allow these organisations to meet a range of requirements with one system of a Standard Chart of Accounts for not-for-profit organisations in receipt of government grants.

COAG also approved implementation plans for the regulatory reform of the legal profession, competition reform relating to retail tenancy and the not-for-profit sector.

COAG noted concerns from Victoria in relation to tax issues applying to the not-for-profit sector arising from the Victorian bushfires. COAG agreed to discuss this issue further following the Commonwealth's response to the Australia's Future Tax System review and the Productivity Commission's final report into the contribution of the not-for-profit sector. It was agreed that these will usefully frame such a discussion.

Transport Regulation

COAG has taken several further steps towards a truly national transport system that will reduce transport costs and help lift national productivity without compromising safety.

COAG agreed that South Australia will host the national rail safety regulator. This follows COAG's agreement in July that the Australian Maritime Safety Authority will be the national regulator for maritime safety. It will continue to be headquartered in Canberra.

National Partnership Agreements for single national heavy vehicle and maritime regulators will be considered in the first half of 2010. The National Partnership Agreement for the single national rail regulator will be considered in 2011. COAG also agreed to establish a strengthened national regulators' panel to provide better national harmonisation of rail safety regulation in the period in which the national regulator is being established. COAG further agreed to resolve a number of policy, legislation, governance and funding issues in the implementation stage, including the role of State Ministers.

A detailed work plan for delivery of the pricing elements of the COAG Road Reform Plan was also agreed. Under the plan, a feasibility study for alternative models of road pricing and funding will be completed by December 2011, which should include specific consideration of mass-distance location pricing. The outcomes of the feasibility study will help determine whether direct pricing is feasible.

COAG also agreed to release the report of the National Transport Commission (NTC) Review and the Australian Transport Council. Adoption of the recommendations will strengthen NTC's capacity to focus on transport regulatory reform.

7. WATER REFORM

COAG agreed to redouble its efforts to accelerate the pace of reform under the National Water Initiative (NWI). It further committed to:

- completing NWI consistent water-sharing plans for all significant water resources;
- a National Framework for Non-urban Water Metering to improve the accuracy of water metering;
- a National Water Skills Strategy to address skills shortages in the water industry; and
- the in-principle endorsement of a National Framework for Water Compliance and Enforcement to combat water theft.

The National Framework for Water Compliance and Enforcement will respond to the real threat to the recovery of water and the integrity of water trading posed by water theft. The Framework will form the basis for implementation plans developed in each State guided by the principle of cost-effective regulation. The plans and the final Framework will be considered by COAG in mid-2010. The Commonwealth has committed \$60 million to improve water compliance and enforcement activities nationally.

COAG has also tasked the Water Reform Committee to provide advice to it in 2010 on addressing the main findings of the National Water Commission's *Second Biennial Assessment of Progress in Implementation of the National Water Initiative* report. As a priority the Committee will focus on measures to achieve:

- an end to all over-allocation and overuse;
- improved environmental conditions and management of water for the environment;
- the removal of barriers to water trade; and
- better engagement with communities and other key stakeholders on the implementation of water reforms.

COAG welcomed recent progress under the *Intergovernmental Agreement on Murray-Darling Basin Reform (IGA)*, which committed governments to a new culture and practice of Basin-wide management and planning through new governance structures and partnerships.

Commonwealth-State Water Management Partnership Agreements have been, or are about to be completed shortly, while early work on critical infrastructure projects is underway in each State. COAG also affirmed State commitments to deliver all business cases for priority infrastructure projects under the *IGA*, including timeframes for their commencement and completion, by June 2010.

8. CLIMATE CHANGE

COAG discussed the importance of a successful outcome of the Copenhagen Climate Change Conference to Australia's future prosperity. The impacts of climate change if unchecked have potentially enormous economic, environmental and social implications for all Australians. The long running, unprecedented drought in south eastern Australia, the forecast of increasing coral damage for the Great Barrier Reef, and the severity and devastation of recent bushfires have underscored the harsh realities of living with climate change. The urgency of achieving an effective global solution has never been more pressing.

To this end, Leaders supported the Commonwealth's aim of reaching a comprehensive agreement on climate change at the Conference of the Parties to the United Nations Framework

Convention on Climate Change in Copenhagen in December 2009. Australia's key objective is to lay a path to ambitious global mitigation action consistent with long-term stabilisation of greenhouse gases in the atmosphere at 450 parts per million or lower. Premier Rann, as current Chair of the States and Regions, will table a Statement of Commitment on behalf of State First Ministers, at the Climate Leaders Summit in Copenhagen.

Leaders noted the importance of an emissions trading scheme in helping Australia achieve its targets for greenhouse gas reduction and play its fair share in international efforts to deal with climate change. Setting a price signal for carbon through a market-based mechanism enables reductions in Australia's greenhouse gas emissions at the lowest possible economic cost. COAG noted that the proposed Scheme would be supported by substantial complementary climate change initiatives, a number of which have been developed collaboratively through COAG. In 2009 COAG agreed to the national Renewable Energy Target, which will drive the deployment of renewable energy, and the National Strategy on Energy Efficiency which will accelerate adoption of energy efficiency in buildings, households and businesses. States have also embarked on collaborative work with the Commonwealth on the Solar Flagship and Carbon Capture and Storage Flagship programs, which will stimulate the early development of low carbon technologies.

Adapting to the impacts of climate change already underway will be a substantial ongoing challenge that will require action from all parts of Australian society, including governments, businesses and households.

COAG noted that in some cases a national response will be required and agreed to consider climate change at a COAG meeting early in 2010, including a particular focus on adaptation.

9. CLOSING THE GAP IN INDIGENOUS DISADVANTAGE

COAG considered several items relating to Closing the Gap in Indigenous disadvantage. These items focused on:

- monitoring progress in implementation of the existing Indigenous reform agenda;
- ensuring that service delivery in remote communities is working; and
- initiatives to improve the availability of healthy food in remote Indigenous communities.

Food Security in Remote Indigenous Communities

COAG agreed to a new National Strategy for Food Security in Remote Indigenous Communities (the Strategy) which outlines five actions to increase the consumption of healthy foods and reduce the diet-related burden of disease for Indigenous people in remote Australia and help close the gap in Indigenous disadvantage by:

- developing National Standards for stores and takeaways servicing remote Indigenous communities in the areas of retail management, financial management, governance, infrastructure, food and nutrition policy and promotion and food preparation and food safety;
- developing options for a National Quality Improvement Scheme, for consideration by COAG in mid-2010;
- encouraging strongly stores incorporated under State and Territory Associations Incorporations laws to incorporate under the *Corporations (Aboriginal and Torres Strait Islander) Act 2006*;

- developing a National Healthy Eating Action Plan for remote Indigenous communities for consideration by COAG by mid-2010; and
- developing a National Workforce Action Plan to improve food security through fostering an appropriately resourced, trained and supported workforce for consideration by COAG also in mid-2010.

The Strategy will be piloted in up to 10 remote Indigenous communities, beginning by March 2010. The pilots will test the draft National Standards and effective mechanisms to achieve them, and will inform the development of the National Workforce Action Plan and National Healthy Eating Action Plan. The pilots will also seek to develop a regional food security model to support and coordinate the implementation of the actions outlined in this Strategy. The Working Group on Indigenous Reform (WGIR) will report to COAG in mid-2010 on the further development of the Strategy.

Report from the Coordinator-General for Remote Indigenous Services

COAG noted the first report from the Coordinator-General for Remote Indigenous Services had been launched on 4 December 2009. The Report recommends improved coordination of Commonwealth and State service delivery in the 29 priority remote communities, particularly in efforts to improve community governance, education and training, delivery of renal health services and reporting. COAG has requested the WGIR report in early 2010 on actions taken to address the recommendations contained in the report.

10. NATIONAL SECURITY AND COMMUNITY SAFETY

Briefing from the National Security Adviser

Mr Duncan Lewis, AO, the National Security Adviser, briefed COAG on Australia's national security arrangements.

Natural Disaster Arrangements

Following decisions at its 30 April 2009 meeting, COAG agreed to a range of measures to improve Australia's natural disaster arrangements. Given the expected increased regularity and severity of natural disasters arising from extreme weather events, governments recognise that a national, coordinated and cooperative effort is required to strengthen Australia's capacity to withstand and recover from emergencies and disasters. COAG therefore agreed to a new whole-of-nation, 'resilience' based approach to natural disaster policy and programs, which recognises that a disaster resilient community is one that works together to understand and manage the risks that it confronts. The National Disaster Resilience Statement can be found at Attachment C.

Governments, at all levels, have a significant role to play in strengthening the nation's resilience to disasters. To this end, COAG agreed to a range of measures to improve Australia's natural disaster arrangements through more efficient and effective funding arrangements for natural disaster mitigation, relief and recovery; strengthened coordination and partnership between the Commonwealth and State governments in preparation for, and in response to, disasters; and the introduction of a framework for improving the interoperability of radio-communications equipment used by emergency services.

COAG also noted recent actions taken by the Commonwealth and State governments to improve national capabilities for responding to disasters. At its 30 April 2009 meeting, COAG agreed to

develop a national telephone-based emergency warning system and COAG today noted that this system – known as Emergency Alert – is being rolled out. It will provide emergency service agencies another tool with which to warn and advise the public in the event of emergencies. COAG also welcomed implementation of national emergency call centre surge capacity arrangements, under which the Commonwealth will provide a surge capability to the States should their local emergency call centre capacity be overwhelmed following a disaster.

Critical Infrastructure Protection

Critical infrastructure is essential to Australia's national security, economic prosperity and social well-being. COAG noted that the effective protection of critical infrastructure is reliant on a strong, collaborative partnership between governments and critical infrastructure owners and operators.

COAG noted that there are areas of common government responsibility where critical infrastructure activities need to be closely co-ordinated. To help achieve this improved co-ordination, COAG agreed to create a new committee, the National Critical Infrastructure Resilience Committee, both as a national co-ordination mechanism for critical infrastructure resilience, as well as to enhance and replace existing co-ordination mechanisms.

The National Critical Infrastructure Resilience Committee will develop working relationships with relevant Ministerial Councils and Committees, and undertake further work in relation to the roles and responsibilities of respective governments as they relate to the concept of 'critical infrastructure resilience.'

National Action Plan for Human Influenza Pandemic

COAG noted that updates have been made to the *National Action Plan for Human Influenza Pandemic* and associated documents that reflect contemporary experience with the H1N1 pandemic in 2009.

National Action Plan to Reduce Violence against Women

All Australian governments aspire to an Australia where women and their children live free from violence in safe communities. Informed by the National Council to Reduce Violence against Women and their Children's *Time for Action* report, significant progress has been made in developing a National Plan to Reduce Violence against Women and their Children. COAG will consider the National Plan, including an initial three-year action plan, in the first half of 2010.

11. IMPLEMENTATION OF THE COAG REFORM AGENDA AND RELATED MATTERS

Implementation of the COAG Reform Agenda

The successful implementation and delivery of COAG National Agreements, National Partnerships and associated decisions is a high priority for COAG and essential to the long-term prosperity of Australia.

COAG reviewed progress across the reform agenda that it has established over the past two years and noted that significant progress is being made. It agreed that a sustained, collaborative effort would continue to be required by all jurisdictions to progress agreed reforms and initiatives.

COAG also agreed that all First Ministers would closely monitor the ongoing implementation of COAG initiatives and that Senior Officials would review progress with any initiatives that are experiencing implementation problems or delays.

COAG further agreed that the National Partnership Agreement on Remote Indigenous Housing would be renegotiated.

Intergovernmental Agreement on Federal Financial Relations

COAG noted considerable work has been done, and the progress made, in implementing the *Intergovernmental Agreement for Federal Financial Relations (IGA)* in its first year of operation. COAG tasked Heads of Treasuries, in consultation with Senior Officials, to undertake a review of National Agreements, National Partnerships and Implementation Plans, and report their findings through the Ministerial Council for Federal Financial Relations to COAG by 31 December 2010. The review will consider:

- how consistent agreements are with the design principles of the *IGA*;
- the clarity and transparency of objectives, outcomes, outputs and roles and responsibilities; and
- the quantity and quality of performance indicators and benchmarks.

Report on Government Services – Review

COAG adopted the recommendations of the Senior Officials/Heads of Treasuries working group following its review of the Report on Government Services (ROGS).

The ROGS plays an important role in providing detailed information for policy makers at the Commonwealth and State level, and for the non-government sector, enabling comparisons of service delivery between jurisdictions and over time. It plays a significant public accountability role, informing the Australian community about government service delivery performance. A key aspect of future work on the ROGS will be to ensure it is aligned with, and complements, the performance reporting regime established under the Intergovernmental Agreement on Federal Financial Relations.

Documents relating to the review are available on the COAG website (www.coag.gov.au).

12. OTHER MATTERS

Coordinators-General for the Nation Building and Jobs Plan

COAG noted that the Nation Building – Economic Stimulus Plan (the Plan) is progressing well. The Commonwealth Coordinator-General tabled a report on behalf of all Coordinators-General updating COAG on progress of the Plan.

The construction phase of the plan continues to escalate with more than 28,000 (57 per cent) of the major building and construction projects underway and completions rapidly rising. At the end of October 2009:

- more than 8,000 primary school construction projects, including halls, libraries and classrooms, were underway with the first 48 having been completed. In addition, over 12,000 refurbishment projects were being undertaken and over 1,300 had been completed

in Australian schools under the National School Pride program, and 452 of the 537 Science and Language Centres construction projects had been started;

- of the 19,321 new social houses to be constructed, over 2,600 had commenced construction, while 125 had already been completed. Almost 71 per cent of all Defence Housing Australia projects had commenced major site works and 18 per cent had been completed;
- between them, all 566 local councils had completed more than 2,700 local projects and good progress was reported on the 137 strategic community infrastructure projects;
- more than 300 road black spot and boom gates for rail crossings projects were underway. Of the 14 major road projects, all had commenced pre-construction activities and five were under construction. In addition, 15 of the 17 major rail projects had commenced (including one technology trial) and three were complete; and
- more than 41,000 social houses had received essential repairs and over 600,000 homes had ceiling insulation or solar hot water systems installed.

COAG agreed that the Plan is achieving positive outcomes supporting employment, fostering confidence in the economy and building vital infrastructure.

COAG reinforced its commitment to maintaining momentum in delivering the package.

Football World Cup Bid

COAG today reaffirmed the commitment of all governments to work cooperatively with Football Federation Australia in support of its bid to host the 2018 or 2022 FIFA World Cup.

ATTACHMENT A

NATIONAL QUALITY AGENDA FOR EARLY CHILDHOOD EDUCATION AND CARE

COAG has agreed to a new National Quality Agenda for early childhood education and care and Outside School Hours Care. From January 2012, a jointly-governed unified national framework will apply to Long Day Care, Family Day Care, Outside School Hours Care and preschools. This genuinely national framework will replace the current licensing and accreditation processes undertaken by States and the Commonwealth.

This new framework will deliver better quality for children through a single National Quality Standard which will:

- improve interactions between children and carers based on better qualified staff and lower staff to child ratios which allow for more quality time to focus on individual children's needs;
- provide nationally-uniform standards in seven key quality areas including educational program and practice; children's health and safety; physical environment; staffing; relationships with children; partnerships with families and communities; and leadership and service management which will ensure every child care centre, family day care program and preschool provides a quality service; and
- provide a new transparent ratings system which will provide parents with information to easily compare services and make informed choices about which service best meets their child's needs, and encourage services to put an ongoing emphasis on quality improvement.

Each jurisdiction has steadily been making improvements to its early childhood education and care and outside school hours care services over past years. These reforms will build on these improvements to deliver a stronger national system which will improve educational and developmental outcomes for Australian children. The reforms will make an important contribution to delivering the outcomes identified by COAG in its National Early Childhood Development Strategy.

The Ministerial Council for Education, Early Childhood Development and Youth Affairs will lead the implementation and administration of the national framework. A national body will guide the management of the framework, with administration of regulation undertaken by State agencies. The new framework will reduce duplication and complexity for service providers and make a significant contribution to furthering microeconomic reform.

The new framework takes account of feedback on the Regulation Impact Statement released by COAG in July 2009. The consultation period followed the commitment by COAG to a genuinely national system that encompasses and integrates education and care, with standards that apply to early childhood education and care services regardless of location and setting including approved child care and preschools.

New National Framework by 1 January 2012

Improved National Standards

The staff-to-child ratios for Long Day Care and preschool required under the National Quality Standards are 1:4 for children aged from birth to 24 months by no later than 1 January 2012, 1:5

for children aged from 25 months to 35 months by no later than 1 January 2016 and 1:11 for children aged from 36 months to school age by no later than 1 January 2016.

By no later than 1 January 2014, 50 per cent of staff in Long Day Care and preschool services will be required to have (or be actively engaged in working towards) a Diploma level early childhood education and care qualification or above, with other staff having (or be actively engaged in working towards) a Certificate III level early childhood education and care qualification or equivalent. Most services will be required to have an early childhood teacher in attendance whenever a service is being provided, with smaller centres required to have a teacher for some of the time. Requirements for a second teacher will apply in larger services from 2020.

For Family Day Care, mixed age groups of children will have a staff-to-child ratio of 1:7 with a maximum of four children under school age no later than 1 January 2014. All carers will be required to have a minimum Certificate III level qualification (or be enrolled and studying) and all coordinators will require a Diploma-level early childhood education and care qualification by this time.

In a small number of instances where current State standards for ratios and staff qualifications are stronger than the National Quality Standards, the existing standard will be retained.

New Ratings System

The framework combines the seven quality areas with a five-point scale rating system of 'Excellent', 'High Quality', 'National Quality Standard', 'Operating Requirements' and 'Unsatisfactory' to describe the quality of early childhood education and care and outside school hours care services.

Services will receive an overall rating following an assessment against the National Quality Standards, and a rating against each of the seven quality areas. All services will be required to display prominently their approval and rating information. Ratings will also be available on the internet. As part of all Australian governments' commitment to increasing participation in preschool, services which offer preschool programs will also display this information alongside their rating overall.

Streamlined Regulatory Administration

The administrative burden on services will be reduced by eliminating the duplication of regulation across government and sectors, with services dealing with only one organisation for regulation against the National Quality Standards. A consistent fee structure will apply to all services.

Services will be continually monitored against the new standards, reflecting the importance of services maintaining high standards of education and care of children. The frequency of formal assessment will vary according to the rating the service receives and a reassessment will be triggered by a range of events, including complaints against the service or change of ownership. Strong financial viability standards will form an important part of the assessment. Services that fail to meet the standards will be required to undertake urgent actions to improve their performance, and in extreme circumstances will be closed down.

A new national body, with joint Commonwealth and State governance arrangements, will be responsible for guiding implementation and management of the national system, with the affairs of the national body to be controlled by a board reporting to the Ministerial Council for Education, Early Childhood Development and Youth Affairs. Administration and enforcement

activities in relation to the National Quality Standards will be undertaken by State agencies (accountable to State Ministers) under the direction of the national body.

The framework will be enacted through legislation using a cooperative legislative model. Model legislation will be enacted by Victoria and other States will incorporate the model legislation by reference (Western Australia will pass corresponding legislation).

Transition and Implementation

As part of the transition process, from 1 July 2010 the National Childcare Accreditation Council will start to assess Long Day Care, Family Day Care and Outside School Hours Care services against the National Quality Standards. Where States wish to begin assessment of preschool services they will also be able to do so.

The national framework will be fully operational by 1 January 2012 and will cover Long Day Care, Family Day Care, Outside School Hours Care and preschool services, with the national body commencing operations prior to this date. New ratio and qualification requirements will be implemented progressively. The Commonwealth and States will retain their current roles until 2012 to ensure all services continue to be monitored until the new system is fully implemented.

The phase-in and length of the implementation period responds to stakeholder feedback and there will be a targeted consultation process with the sector to finalise detail and implementation of the National Quality Standards. The guidelines that support the National Quality Standards will be further developed in consultation with providers.

A sufficient supply of suitably qualified workers will be essential to delivering the quality reforms and will be supported by existing workforce initiatives complemented by measures such as recognition of prior learning and lifting completion rates. The Ministerial Council for Education, Early Childhood Development and Youth Affairs will actively monitor progress in this. The Early Years Development Workforce strategy, to be considered by COAG in 2010, will identify potential options to pursue in order to provide for an adequate supply of qualified workers to support the National Quality Agenda.

The new framework will be reviewed in 2014 to examine the progress of implementation, with a particular focus on workforce availability, governance arrangements, including their impact on the regulatory burden for providers, further improvements to the standards and appropriate regulatory agencies for preschool. There will be a specific review that will commence at the beginning of 2013 on progress towards meeting the qualification requirements due to come into force from 1 January 2014, particularly in relation to requirements for early childhood teachers and for those jurisdictions in which there are significant rural and remote workforces.

ATTACHMENT B

NATIONAL OBJECTIVE AND CRITERIA FOR FUTURE STRATEGIC PLANNING OF CAPITAL CITIES

Objective

To ensure Australian cities are globally competitive, productive, sustainable, liveable and socially inclusive and are well placed to meet future challenges and growth.

Criteria

Capital city strategic planning systems should:

1. be integrated: -
 - a) across functions, including land-use and transport planning, economic and infrastructure development, environmental assessment and urban development, and
 - b) across government agencies;
2. provide for a consistent hierarchy of future oriented and publicly available plans, including: -
 - a) long term (for example, 15-30 year) integrated strategic plans,
 - b) medium term (for example, 5-15 year) prioritised infrastructure and land-use plans, and
 - c) near term prioritised infrastructure project pipeline backed by appropriately detailed project plans;
3. provide for nationally-significant economic infrastructure (both new and upgrade of existing) including: -
 - a) transport corridors,
 - b) international gateways,
 - c) intermodal connections,
 - d) major communications and utilities infrastructure, and
 - e) reservation of appropriate lands to support future expansion;
4. address nationally-significant policy issues including: -
 - a) population growth and demographic change,
 - b) productivity and global competitiveness,
 - c) climate change mitigation and adaptation,
 - d) efficient development and use of existing and new infrastructure and other public assets,
 - e) connectivity of people to jobs and businesses to markets,
 - f) development of major urban corridors,
 - g) social inclusion,
 - h) health, liveability, and community wellbeing,
 - i) housing affordability, and
 - j) matters of national environmental significance;
5. consider and strengthen the networks between capital cities and major regional centres, and other important domestic and international connections;
6. provide for planned, sequenced and evidence-based land release and an appropriate balance of infill and greenfields development;
7. clearly identify priorities for investment and policy effort by governments, and provide an effective framework for private sector investment and innovation;

8. encourage world-class urban design and architecture; and
9. provide effective implementation arrangements and supporting mechanisms, including: -
 - a) clear accountabilities, timelines and appropriate performance measures,
 - b) coordination between all three levels of government, with opportunities for Commonwealth and local government input, and linked, streamlined and efficient approval processes including under the Commonwealth *Environment Protection and Biodiversity Conservation Act 1999*,
 - c) evaluation and review cycles that support the need for balance between flexibility and certainty, including trigger points that identify the need for change in policy settings, and
 - d) appropriate consultation and engagement with external stakeholders, experts and the wider community.

ATTACHMENT C**NATIONAL DISASTER RESILIENCE STATEMENT****Introduction**

Australia has recently experienced a number of large scale and devastating natural disasters, including catastrophic bushfires, far reaching floods, and damaging storms. Natural disasters are a feature of the Australian climate and landscape and this threat will continue, not least because climate change is making weather patterns less predictable and more extreme. Such events can have personal, social, economic and environmental impacts that take many years to dissipate.

Australia has and continues to cope well with natural disasters, through well established and cooperative emergency management arrangements, effective capabilities, and dedicated professional and volunteer personnel. Australians are also renowned for their resilience to hardship, including the ability to innovate and adapt, a strong community spirit that supports those in need and the self-reliance to withstand and recover from disasters.

A Collective Responsibility for Resilience

Given the increasing regularity and severity of natural disasters, Australian governments have recognised that a national, coordinated and cooperative effort is required to enhance Australia's capacity to withstand and recover from emergencies and disasters. A disaster resilient community is one that works together to understand and manage the risks that it confronts. Disaster resilience is the collective responsibility of all sectors of society, including all levels of government, business, the non-government sector and individuals. If all these sectors work together with a united focus and a shared sense of responsibility to improve disaster resilience, they will be far more effective than the individual efforts of any one sector.

Role of Government

Governments, at all levels, have a significant role in strengthening the nation's resilience to disasters by:

- developing and implementing effective, risk-based land management and planning arrangements and other mitigation activities;
- having effective arrangements in place to inform people about how to assess risks and reduce their exposure and vulnerability to hazards;
- having clear and effective education systems so people understand what options are available and what the best course of action is in responding to a hazard as it approaches;
- supporting individuals and communities to prepare for extreme events;
- ensuring the most effective, well-coordinated response from our emergency services and volunteers when disaster hits; and
- working in a swift, compassionate and pragmatic way to help communities recover from devastation and to learn, innovate and adapt in the aftermath of disastrous events.

Australian governments are working collectively to incorporate the principle of disaster resilience into aspects of natural disaster arrangements, including preventing, preparing, responding to, and recovering from, disasters.

National Disaster Resilience Strategy

The efforts of governments will be assisted by the establishment of a new National Emergency Management Committee that will include experts from Commonwealth, State and Territory and local governments and report to COAG and relevant ministerial councils. The first task of this committee will be to bring together the representative views of all governments, business, non-government sector and the community into a comprehensive National Disaster Resilience Strategy. This group will also be tasked with considering further those lessons arising from the recent bushfires and floods that could benefit from national collaboration.

Role of Business

COAG acknowledges that businesses can and do play a fundamental role in supporting a community's resilience to disasters. They provide resources, expertise and many essential services on which the community depends. Businesses, including critical infrastructure providers, make a contribution by understanding the risks that they face and ensuring that they are able to continue providing services during or soon after a disaster.

Role of Individuals

Disaster resilience is based on individuals taking their share of responsibility for preventing, preparing for, responding to and recovering from disasters. They can do this by drawing on guidance, resources and policies of government and other sources such as community organisations. The disaster resilience of people and households is significantly increased by active planning and preparation for protecting life and property, based on an awareness of the threats relevant to their locality. It is also increased by knowing and being involved in local community disaster or emergency management arrangements, and for many being involved as a volunteer.

Role of Non-Government Organisations and Volunteers

Non-government and community organisations are at the forefront of strengthening disaster resilience in Australia. It is to them that Australians often turn for support or advice and the dedicated work of these agencies and organisations is critical to helping communities to cope with, and recover from, a disaster. Australian governments will continue to partner with these agencies and organisations to spread the disaster resilience message and to find practical ways to strengthen disaster resilience in the communities they serve.

Strengthening Australia's disaster resilience is not a stand-alone activity that can be achieved in a set timeframe, nor can it be achieved without a joint commitment and concerted effort by all sectors of society. But it is an effort that is worth making, because building a more disaster resilient nation is an investment in our future.