

BOARD OF TREASURERS

Communiqué

Melbourne

Friday 21 February 2020

State and Territory Treasurers met in Melbourne on 21 February 2020 for the first Board of Treasurers meeting of the year. The Treasurer of Victoria, Mr Tim Pallas MP, is chairing the Board in 2020.

Presentation by the Chair of the NSW Review of Federal Financial Relations

Mr David Thodey AO, Chair of the NSW Review of Federal Financial Relations, updated Treasurers on the progress of the Review, including the findings of the recently completed consultation process.

Treasurers noted that the Commonwealth should assist to ensure States and Territories are not disadvantaged for engaging in productivity enhancing reform.

Current economic risks – Bushfire response and recovery and Coronavirus

Treasurers discussed the economic impact of the recent bushfires and shared information on recovery measures that are underway. States and territories are working with the Commonwealth Government and the non-government sector to provide much-needed assistance to affected communities across Australia.

The Board also discussed the impact of the novel coronavirus (COVID-19) and recognised the importance of States working together with the Commonwealth Government to ensure a coordinated and proactive response.

The Board agreed that early engagement by the Commonwealth with States and Territories on policy responses to these risks is warranted.

Treasuries will establish a working group to help improve financial arrangements for disaster recovery and preparedness – building on lessons learned from the 2019-20 fire season and to share and improve inter-jurisdictional learnings and experiences in a timely fashion.

National Health Reform

The Board noted the recent letter from the Commonwealth Health Minister to State Health Ministers providing a revised offer to finalise the 2020-2025 Addendum to the *National Health Reform Agreement* (NHRA). The Board is keen for the new arrangements to be agreed as a matter of priority in recognition of the importance of both the State and Commonwealth Government's contributions to providing quality and sustainable health services to the community.

The Board notes that the revised draft NHRA does not yet address a number of the key threshold issues raised by the Board previously.

The Board agreed that these issues need to be satisfactorily addressed in the NHRA before the agreement is submitted to the Council on Financial Federal Relations (CFFR) for endorsement, consistent with arrangements agreed at the Council of Australian Governments for significant intergovernmental agreements.

Update on NDIS funding contributions

Treasurers are continuing to monitor the performance of the National Disability Insurance Scheme to ensure the scheme is effective and is being administered consistent with the underlying principles agreed when States joined the scheme.

Productivity reform

The Board discussed the progress of the heavy vehicle road reforms being considered by the Transport and Infrastructure Council (TIC). Further work on the implications arising from this proposed reform is intended to be considered by the Council on Federal Financial Relations (CFFR) in April. The Board agreed on a pathway to resolve outstanding issues.

Treasurers agreed to establish a working group to explore opportunities to improve the efficiency of government expenditure and revenue collection.

National approach to native title compensation

The Board agreed to explore the potential for national approaches to native title compensation and will write to the Commonwealth Treasurer to seek the Commonwealth's involvement in this important matter.

Next meeting

The Board will next meet in the Gold Coast hinterland in August 2020.

Board of Treasurers

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