

# **COUNCIL OF AUSTRALIAN GOVERNMENTS' MEETING**

**3 NOVEMBER 2000**

**CANBERRA**

**COMMUNIQUE**

## **INTRODUCTION**

The Council of Australian Governments today held its ninth meeting in Canberra. The Council, comprising the Prime Minister, Premiers and Chief Ministers and the President of the Australian Local Government Association, had wide ranging discussions on three important areas of national interest – natural resource management, aboriginal reconciliation and gambling – and signed a major agreement to deliver streamlined national food regulation to Australian States and Territories.

This Communique sets out the agreed outcomes of the discussions on these and other issues.

## **NATURAL RESOURCE MANAGEMENT**

The Council agreed that the issues of salinity, particularly dryland salinity, and deteriorating water quality are of major national significance and are appropriately handled through a national action plan.

Salinity and deteriorating water quality are seriously affecting the sustainability of Australia's agricultural production, the conservation of biological diversity and the viability of our infrastructure and regional communities. At least five per cent of cultivated land is now affected by dryland salinity – this could rise as high as 22 per cent. One third of Australian rivers are in extremely poor condition, and land and water degradation, excluding weeds and pests, currently costs approximately \$3.5 billion per year.

The Council endorsed the Commonwealth's proposal for a national Action Plan as the basis for developing an Intergovernmental Agreement by end December 2000 to tackle salinity, particularly dryland salinity, and deteriorating water quality. The Agreement will be signed by the Council out of session and will provide the foundation for developing detailed agreements with the States and Territories to implement the Action Plan.

The Action Plan builds on the achievements of the Natural Heritage Trust and initiatives by individual State and Territory governments and the Murray Darling Basin Ministerial Council.

The goal of the Action Plan is to motivate and enable regional communities to use coordinated and targeted action to:

- prevent, stabilise and start to reverse trends in dryland salinity affecting the sustainability of production, the conservation of biological diversity and the viability of our infrastructure; and
- improve water quality and secure reliable allocations for human uses, industry and the environment.

The national Action Plan will involve six elements, all of which are necessary to achieve lasting improvements over dryland salinity and deteriorating water quality:

1. targets and standards for salinity, water quality and associated water flows, and stream and terrestrial biodiversity agreed either bilaterally or multilaterally, as appropriate;
2. integrated catchment/regional management plans developed by the community and accredited jointly by Governments, in the 20 agreed catchments/regions that are highly affected by salinity, particularly dryland salinity, and deteriorating water quality;
3. capacity building for communities and landholders to assist them to develop and implement integrated catchment/region plans, together with the provision of technical and scientific support and engineering innovations;
4. an improved governance framework to secure the Commonwealth-State/Territory investments and community action in the long term: including property rights; pricing; and regulatory reforms for water and land use;
5. clearly articulated roles for the Commonwealth, State/Territory, local government and community to provide an effective, integrated and coherent framework to deliver and monitor implementation of the Action Plan; and
6. a public communication program to support widespread understanding of all aspects of the Action Plan so as to promote behavioural change and community support.

The Action Plan involves new expenditure by Commonwealth, State and Territory governments to address salinity, particularly dryland salinity, and water quality of \$1.4 billion over the next seven years. The agreed principles for funding the Action Plan, include:

- the Commonwealth's financial contribution of \$700 million for regional implementation of the Action Plan will be matched by new State/Territory financial contributions;
- Council agreed that new State/Territory financial contributions include funding attached to measures announced since jurisdictions' budgets, provided that money is redirected to joint funding under the Action Plan;
- Commonwealth contributions will be available to a State/Territory once agreement is reached with that jurisdiction on the implementation of the whole package of measures; and
- participating communities will also be expected to make appropriate contributions in addition to the above.

The Council agreed that compensation to assist adjustment where property rights are lost will need to be addressed in developing catchment plans. Council noted that, while any such compensation is the responsibility of the States and Territories, the Commonwealth is prepared to consider making an additional contribution, separate from the \$700 million announced to implement the Action Plan.

The Council also agreed that joint implementation of outcomes of the national overarching agreement will commence for each State/Territory as it becomes a signatory and a partnership between the Commonwealth and each State/Territory is agreed.

Given the importance of this initiative for Australia's future, the Council indicated that its members would maintain a keen interest in progress in their own jurisdictions between now and the next COAG meeting.

## **FOOD REGULATION REFORM**

Heads of Government signed an Intergovernmental Agreement to deliver a more streamlined, efficient and nationally focused food regulatory system for Australia that will enhance public health and safety. The new system will be built upon a strengthening of the partnership between government, industry and consumers and

will continue the close relationship between Australia and New Zealand in the development of joint food standards.

Under the new system, national food standards in Australia and New Zealand will be developed by a new, independent statutory agency with appropriate scientific and technical expertise. This agency, to be known as Food Standards Australia New Zealand (FSANZ), will replace the existing Australia New Zealand Food Authority.

In order to ensure that public health and safety are protected, Ministers will issue clear guidelines to FSANZ regarding the development of all domestic food standards and will also have the opportunity to reject a standard subsequent to its review against certain, specified criteria.

The new arrangements will provide for the interests of all stakeholders to be considered through better consultation with industry and consumers.

## **QUARANTINE RESTRICTIONS AND INTERNATIONAL TRADE OBLIGATIONS**

The commitment of all Australian governments to complying with Australia's international trade obligations is needed to underpin Commonwealth efforts to ensure fair access for Australian exporters to overseas markets.

Heads of Government reaffirmed their commitment to work closely together, within the framework of the 1995 Memorandum of Understanding on Animal and Plant Quarantine Measures between the Commonwealth, States and Territories, to ensure observance of all of Australia's obligations under the WTO Agreement on the Application of Sanitary and Phytosanitary Measures.

Heads of Government agreed to intensify dialogue on quarantine policy, import risk analyses and other WTO-related quarantine issues and to confirm this by an exchange of letters.

## **NATIONAL COMPETITION POLICY**

The Council affirmed the importance of the National Competition Policy (NCP) in sustaining the competitiveness and flexibility of the Australian economy and contributing to higher standards of living.

Heads of Government agreed to several measures to clarify and fine-tune implementation arrangements for NCP as set out in the Prime Minister's letter of 27 October 2000 to Premiers and Chief Ministers. The adoption of these changes

will establish a practical framework for the ongoing, effective implementation of NCP, while demonstrating our ongoing commitment to this policy and safeguarding the flow of benefits it is delivering to Australians as a whole. The changes will also serve to address a number of community concerns regarding the application of NCP which were identified in the recent Productivity Commission and Senate Select Committee inquiries into competition policy.

These measures which were previously agreed by COAG Senior Officials, include: that the National Competition Council (NCC) determine its forward work programme in consultation with COAG Senior Officials; that COAG Senior Officials continue to clarify and specify NCP reform commitments and assessment benchmarks for the NCC; that the deadline for completing the NCP legislation review and reform program be extended from 31 December 2000 to 30 June 2002; and that the NCP Intergovernmental Agreements be amended to provide further guidance to the NCC on how to assess whether jurisdictions have complied with their legislation review commitments.

## **GAMBLING**

For most Australians gambling is an enjoyable form of entertainment. For a small proportion, however, gambling has negative social consequences. The Productivity Commission report, *Australia's Gambling Industries*, found that almost 300,000 (or 2 per cent) of adult Australians are problem gamblers and that, for every one of these, an additional 5 to 10 people are adversely affected in a direct way by their gambling.

States and Territories have recognised the problems created for some individuals and their families by gambling and are already taking significant steps to address these problems.

The Council agreed that preventing and addressing the negative consequences from problem gambling are the joint responsibilities of governments, the gambling industry, communities and individuals. In addition, they agreed that the Ministerial Council on Gambling will auspice the development of a national strategic framework, to be implemented by State and Territory governments, around prevention, early intervention and continuing support, building effective partnerships and national research and evaluation.

As a first step, there will be early implementation by States and Territories of a range of measures, primarily related to gaming machines:

- the development of best practice public awareness strategies to address problem gambling;

- the development and implementation of training courses in responsible gambling practices for appropriate gaming machine venue staff;
- the display of messages warning of the risks of problem gambling, and where to get help, in all gaming machine venues;
- the chance of winning the major prize from gaming machines to be visibly displayed in all gaming machine areas;
- the requirement of all gaming machine venues to enable patrons to be aware of the time spent gambling; and
- the development, within jurisdictions, of limits over which the payment of winnings from hotel and club gaming machines are paid by cheque.

The Ministerial Council on Gambling will develop at an early stage an on-going national research and evaluation strategy on the social consequences of gambling.

The Council also agreed in-principle, subject to further development by States and Territories, to: codes of conduct on consumer protection and advertising; targeted education strategies for school children about problem gambling and its consequences; consideration of the social impacts of gambling prior to the significant expansion of gambling opportunities; and enhancing the obligations on gambling providers to deliver gambling services in a socially responsible manner.

The Council agreed that the Ministerial Council on Gambling will give consideration to a further range of measures, including: the introduction of pre-commitment of loss limits; phasing out gaming machine note acceptors; the disclosure of the chances of winning the major prize in all forms of gambling; the payment of casino gaming machine winnings over a certain limit by cheque; the imposition of breaks in gaming machine operation; reviewing the impact of gaming machine linked jackpots on problem gambling; banning the withdrawal of funds from credit card accounts within gaming venues for the purpose of gaming; and best practice restrictions on automatic teller machines within gaming machine venues.

## **ABORIGINAL RECONCILIATION**

The Council thanked the Council for Aboriginal Reconciliation for its extensive work and contribution to the nation over the past nine years.

Reconciliation is an ongoing issue in the life of Australians and a priority issue for all governments that will require a concerted and sustained effort over many years. The Council acknowledged the unique status of indigenous Australians and the need for recognition, respect and understanding in the wider community.

The Council agreed that many actions are necessary to advance reconciliation, from governments, the private sector, community organisations, indigenous communities, and the wider community. Governments can make a real difference in the lives of indigenous people by addressing social and economic disadvantage, including life expectancy, and improving governance and service delivery arrangements with indigenous people.

Governments have made solid and consistent efforts to address disadvantage and improvements have been achieved. For example, indigenous perinatal mortality rates have dropped from more than 60 per 1,000 births in the mid-1970s to fewer than 22 per 1,000 births in the mid-1990s. However, much remains to be done in health and the other areas of government activity.

Drawing on the lessons of the mixed success of substantial past efforts to address indigenous disadvantage, the Council committed itself to an approach based on partnerships and shared responsibilities with indigenous communities, programme flexibility and coordination between government agencies, with a focus on local communities and outcomes. It agreed priority actions in three areas:

- investing in community leadership initiatives;
- reviewing and re-engineering programmes and services to ensure they deliver practical measures that support families, children and young people. In particular, governments agreed to look at measures for tackling family violence, drug and alcohol dependency and other symptoms of community dysfunction; and
- forging greater links between the business sector and indigenous communities to help promote economic independence.

The Council agreed to take a leading role in driving the necessary changes and will periodically review progress under these arrangements. The first review will be in twelve months. Where they have not already done so, Ministerial Councils will develop action plans, performance reporting strategies and benchmarks.

The Ministerial Council on Aboriginal and Torres Strait Islander Affairs will continue its overarching coordination and performance monitoring roles, including its contribution to the work of the Review of Commonwealth/State Service Provision.

## **REVIEW OF MINISTERIAL COUNCILS**

The Council has commissioned a review by Senior Officials of the scope for streamlining and rationalising the number of Ministerial Councils, for early consideration.

## **OTHER MATTERS**

The issues of fuel prices and energy policy were discussed by COAG. COAG will discuss development of a national energy strategy, *inter alia*, to take advantage of our abundant energy reserves and to address associated environmental impacts. A paper on energy policy is to be prepared for the next COAG meeting.

COAG also discussed education issues and agreed to an ongoing dialogue in this area.

COAG discussed the issue of owner-drivers. While this is essentially a matter for the industry to resolve, the Australian Transport Council should expedite its consideration of work currently before it on this matter.

The next meeting of COAG will be in the first half of 2001.

*Council of Australian Governments*

*3 November 2000*