At its 41st meeting today in Sydney, COAG focussed on reforms to drive economic growth, improve living standards and make our community safer. Leaders welcomed the Prime Minister to his first COAG.

A new economic and Federation reform agenda

COAG committed to close collaboration in areas of shared responsibility, including competition, tax, innovation, infrastructure, cities and regulation, as well as in health and education.

Leaders agreed the principles for a new national economic reform agenda should be to deliver for all Australians no matter where they live:

- a stronger, more productive and more innovative Australian economy, with more jobs, more opportunities and higher living standards;
- fairness and equity, with protection for disadvantaged and lower income Australians; and
- more efficient and high quality services.

COAG agreed to develop a new competition reform agreement, drawing on the Harper Competition Policy Review, for its consideration in 2016. This will include the potential for productivity payments for delivery of reforms, recognising the need for a flexible approach and noting there is no ‘one size fits all’ solution. Consideration will also be given to new ways to apply competition policy in regional and remote Australia.

COAG noted emerging budgetary pressures across all levels of government, particularly in the health sector.

COAG agreed to continue investigating a full range of Commonwealth and state tax and revenue sharing options. Leaders reiterated their commitment to changes to the tax system being fair, with a growth enhancing tax mix and base. All governments reiterated their commitment to keeping taxes as low as possible.

In this collaboration on the cities agenda, COAG recognised the importance of both metropolitan and regional cities.

COAG considered the collaborative work led by Premiers, Chief Ministers and the President of ALGA in health, education and housing and agreed that reforms in these areas will be key elements of the new economic reform agenda. Leaders acknowledged that improving the health of all Australians is a shared priority and challenge. Reforms in health as well as education and housing will lead to higher living standards for all Australians by delivering better health services and an early childhood and school education system that helps Australian children stay ahead in a globally competitive world.

Leaders agreed to progress the following reforms for consideration and action at the first COAG meeting in 2016:

- a long term vision for health reform to support the health of all Australians and achieve long term sustainability of the Australian health system – based on the Medicare principles. The next stage of work will develop:
- design principles and key features of a fair, adequate and efficient hospital funding scheme;
- timeframes for potential implementation, and terms of any transition funding if the new scheme cannot be in place by 1 July 2017;
- a new approach to integrated community and primary care, with particular focus on a chronic care model for patients at risk of, or with complex and chronic disease, and timeframes for potential implementation;

- for all children in the year before school to access 15 hours per week of high quality preschool education through durable and adequate national funding arrangements. Options for removing regulatory and policy barriers to preschools providing care before and after preschool and during vacations will also be examined; and

- school reforms, which focus on lifting the quality of new teaching graduates, enhancing the quality of teachers and principals, and fostering science, technology, engineering and maths (STEM) capabilities across the curriculum, alongside durable national funding arrangements.

COAG noted the importance of affordable housing for Australians on low incomes and agreed that reforms to housing and homelessness services would be taken forward by relevant Ministers in the context of existing work on housing affordability. COAG will receive a report on this work at the end of 2016.

Further work will also be undertaken on options to reform vocational education and training, for initial consideration at COAG’s first meeting in 2016, recognising that skills ministers will continue to work together to address key VET system challenges.

**Indigenous economic development**

Leaders agreed to the development of a new strategic framework that puts Indigenous economic participation at the heart of the national agenda, recognising that economic participation underpinned by cultural participation leads to improved social outcomes. The framework will drive genuine cooperation, including with Indigenous leaders, to ensure we learn from and share what works. It will also support an increased focus on place-based solutions. This will support increased economic independence and reduced reliance on welfare, and help achieve Closing the Gap targets.

Early childhood and school education are both critical in opening future economic opportunities for Indigenous children. COAG agreed to prioritise and accelerate efforts in this area, and set a new early childhood education Closing the Gap target of 95 per cent enrolment for all Indigenous four year olds by 2025, extending beyond the expired 2013 target for remote communities.

COAG welcomed Northern Territory Chief Minister Giles’s proposal for more targeted national and bilateral action to boost Indigenous participation. Leaders will discuss a range of actions at their next meeting, featuring innovative approaches to procurement that promote entrepreneurialism and real jobs.

COAG considered the report of the investigation into Indigenous land administration and use that it commissioned in October last year. To better enable Indigenous land owners and native title holders to use rights in land for economic development, jurisdictions will
implement the recommendations of this report subject to their unique circumstances and resource constraints.

All jurisdictions reaffirmed their shared commitment to the recognition of Aboriginal and Torres Strait Islander peoples in the Commonwealth Constitution, and noted the Commonwealth’s announcement of a Referendum Council to lead a significant national consultation process on recognition. COAG noted the importance of state and territory governments being engaged in this national consultation process, and Premiers and Chief Ministers agreed to participate.

Preventing violence against women and their children

Drawing on advice from the COAG Advisory Panel, Leaders took further significant steps to address violence against women and their children by agreeing to:

• standards to ensure interventions with perpetrators are effective around Australia;
• actions to limit technology-facilitated abuse;
• introduce a national Domestic Violence Order (DVO) scheme so DVOs issued in one state will be recognised in all others, with every jurisdiction committing to introduce laws to give effect to this in the first half of 2016;
• develop a comprehensive national DVO information sharing system that police and courts will be able to use for evidentiary purposes or to enforce DVOs, noting this will take several years to fully implement; and
• in the short-term, establish an interim information sharing system that will provide police and courts with information on all DVOs that have been issued, but will not have the same evidentiary or enforcement capacity as the permanent system.

COAG agreed to a national summit on preventing violence against women and their children in the last quarter of 2016 to profile best practice and review progress.

Countering violent extremism

Since COAG met in July, tragic terrorist events have occurred overseas. Australia has also been affected by terrorism with the shooting of a New South Wales police employee by a fifteen-year old school boy.

All governments have made significant efforts to address violent extremism. However, keeping Australians safe from home-grown terrorism is a complex and evolving field that requires ongoing attention.

COAG agreed to take forward a range of initiatives to counter violent extremism. These will support families, schools, youth and communities impacted by violent extremism and help young people avoid the risk of online engagement with violent extremists.

COAG also agreed to prioritise work to implement nationally consistent legislation on pre-charge detention, consistent with the recommendations of the Australia-New Zealand Counter-Terrorism Committee (ANZCTC). Leaders also agreed to task the ANZCTC to develop a nationally consistent post-sentence preventative detention scheme to enable a continuing period of imprisonment for high risk terrorist offenders.
Leaders also agreed the importance of public messaging to strengthen social cohesion and resilience in communities. Governments need to encourage mutual respect and trust as an important step to stifling the divisive propaganda terrorist groups disseminate.

**National Ice Action Strategy**

Proportionally, Australians use methamphetamine – including ice – more than almost any other country in the world and the number of users continues to grow. As ice use increases, so too does its impact on individuals, families and the community.

Today, all governments agreed to the National Ice Action Strategy which will see a joint national focus on tackling ice. The priority will be to help families and communities who are most affected. In addition, all governments agreed that – to make a real impact – action is needed to reduce the demand for ice by focusing on prevention and treatment. Governments will also continue to tackle the supply of ice by building on recent law enforcement successes.

**Medicinal cannabis**

COAG noted work in all jurisdictions on medicinal cannabis and agreed to an update at the next COAG meeting.

**Northern Territory statehood**

Leaders welcomed Chief Minister Giles’ update on progress towards statehood and look forward to a report from the Northern Territory and the Commonwealth at the next meeting of COAG.

**National Disability Insurance Scheme**

The Commonwealth signed NDIS transition agreements with South Australia and Tasmania, adding to the agreements already in place with New South Wales, Victoria and the Australian Capital Territory.

11 December 2015