Roles and responsibilities of the Commonwealth and the States
Roles and responsibilities of the Commonwealth and the States

... according to the Premiers and Chief Ministers’ communiqué of November 1991:

- The *Australian nation* principle
- The *subsidiarity* principle
- The *structural efficiency* principle
- The *accountability* principle
Roles and responsibilities of the Commonwealth and the States

... according to the Premiers and Chief Ministers’ communiqué of November 1991:

- The *subsidarity* principle:
  “responsibilities for regulation and for allocation of public goods and services should be devolved to the maximum extent possible consistent with the national interest, so that government is accessible and accountable to those affected by its decisions”.

A States’ Perspective - Andrew Parkin
In the beginning ....

- Federation of strong States
- Commonwealth powers constitutionally limited
- States retain most service and policy responsibilities
Now ....

• Federation of still pretty strong States?
• Commonwealth powers constitutionally less limited but still politically constrained?
• States retain most service and policy responsibilities
Constitutional federalism
1996-2007

The Workplace Relations Case - Implications for the States
by
Lenny Roth and Gareth Griffith
Fiscal federalism
1996-2007

• SPPs continue
• National competition payments 1997-2006
• FAGs continued until 2000
• GST since 2000
Fiscal federalism
1996-2007

It’s all-party time in Canberra as six premiers, their ministers

Leaders sign up for GST

George Melalis

JOHN Howard secured the biggest shift in federal-state financial relations since World War II yesterday with a deal to carve up $30 billion in revenue from the goods and services tax between Labor and Coalition premiers.

The unanimous agreement was reached after the Howard Government made the first compensatory GST compensation package by giving the States almost $1 billion in extra funds over three years.

The Prime Minister said the pact, which looks to the three Labor State to the implementation of the States’ Perspective - Andrew Parkin
Fiscal federalism
1996-2007

Peter Costello, February 2006:

*I think, as you look back on it, the most generous aspect of our tax reforms was the allocation of GST revenues to the states—untied. …

“you would have to say that element was a failure. …

“I think this is one area, the most generous and one of the most fundamental changes, the allocation of a growth tax to the states, which has not proved successful.”*
Executive federalism
1996-2007

Council of Australian Governments (COAG)

Commonwealth-State Ministerial Councils: a Compendium

July 2006

A States’ Perspective - Andrew Parkin

Australian Transport Council 1998

Status of Women MinCo 2003
Executive federalism
1996-2007

SECTION 3: MINISTERIAL COUNCILS

1. Ministerial Council for Aboriginal and Torres Strait Islander Affairs
2. Ministerial Council on the Administration of Justice
   (a) Australian Police Ministers' Council
   (b) Intergovernmental Committee of the Australian Crime Commission
   (c) Corrective Services Ministers’ Conference
3. Ministerial Council of Attorneys-General
   (a) Standing Committee of Attorneys-General
   (b) Ministerial Council for Corporations
5. Commonwealth-State Ministers’ Conference on the Status of Women
6. Ministerial Council on Consumer Affairs
7. Cultural Ministers’ Council
8. Ministerial Council on Drug Strategy
10. Ministerial Council on Energy
11. Environment Protection and Heritage Council
12. Ministerial Council on Gambling
13.GenTech Ministerial Council
14. Health, Community and Disability Services Ministerial Council
   (a) Australian Health Ministers’ Conference
   (b) Community and Disability Services Ministers’ Conference
15. Australia and New Zealand Food Regulation Ministerial Council
16. Housing Ministers’ Conference
17. Ministerial Council on Immigration and Multicultural Affairs
18. Local Government and Planning Ministers’ Council
20. Natural Resource Management Ministerial Council
21. Oceania and Communications Council
22. Primary Industries Ministerial Council
23. Australian Procurement and Construction Council
24. Regional Development Council
25. Small Business Ministerial Council
26. Sport and Recreation Ministers’ Council
27. Tourism Ministers’ Council
28. Australian Transport Council
29. Ministerial Council on Vocational and Technical Education
30. Workplace Relations Ministers’ Council

SECTION 4: OTHER MINISTERIAL FORA

31. Central Eastern Rainforest Reserves of Australia World Heritage Ministerial Council
32. Australian Fossil Mammal Sites Ministerial Council
33. Fraser Island Ministerial Council
34. Great Barrier Reef Ministerial Council
35. Lake Eyre Basin Ministerial Forum
36. Macquarie Island World Heritage Area Ministerial Council
37. Murray-Darling Basin Ministerial Council
38. New South Wales World Heritage Properties Ministerial Council
39. Northern Territory World Heritage Ministerial Council
40. Shark Bay Ministerial Council
41. Tasmanian Wilderness World Heritage Area Ministerial Council
42. Wet Tropics Ministerial Council
Executive federalism
1996-2007
Executive federalism
1996-2007

Commonwealth

Central Agency

GST
CGC
COAG

Cabinet program funding

Line Agency

SPPs
MinCos

State

Central Agency

Cabinet program funding

Line Agency

Adapted from Gerritsen (1999)
Executive federalism
1996-2007

Council of Australian Governments (COAG)

Welcome to the Council of Australian Governments’ (COAG) website

COAG is the peak intergovernmental forum in Australia, comprising the Prime Minister, State Premiers, Territory Chief Ministers and the President of the Australian Local Government Association (ALGA).
Executive federalism
1996-2007
Executive federalism
1996-2007
Executive federalism
1996-2007

Once a bunfight, now it’s a love-in

TEAM EFFORT
The Prime Minister and the eight state and territory leaders agreed to:
- Spend $1.1 billion to make Australians healthier
- Set up a national health call centre to supplement GP services
- Establish a framework on how to improve mental health services
- Increase the number of doctor training places at universities
- Act to get elderly people out of hospital and into aged care
- Introduce a plan to transfer young disabled people living in nursing homes to more suitable facilities
- Improve literacy and numeracy standards
- Improve skills training
- Introduce national recognition of trade qualifications
- Cut red-tape for business
# Executive federalism

## 1996-2007

### Current Intergovernmental Agreements

- Intergovernmental Agreement on Surface Transport Security - 2005 - [RTF 82KB](#) | [PDF 29KB](#)
- Research Involving Human Embryos and Prohibition of Human Cloning Agreement - 2004 - [HTML](#) | [RTF 65KB](#) | [PDF 86KB](#)
- Memorandum of Understanding National Response to a Foot and Mouth Disease (FMD) Outbreak - 2002 - [HTML](#) | [RTF 2.3MB](#) | [PDF 113KB](#)
- Food Regulation Agreement - 2002 - [HTML](#) | [RTF 39KB](#) | [PDF 36KB](#)
- Food Regulation Agreement - 2000 - [HTML](#)
- Natural Gas Pipelines - 1997 - [HTML](#)

[Tourism Collaboration Intergovernmental Arrangement (IGA) - 2005](#) (external website - industry.gov.au)

[Corporations Agreement 2002 as Amended](#) (external website - treasury.gov.au)

Executive federalism
1996-2007

News: Council for the Australian Federation

Hon MIKE RANN MP, Premier
Premier
Minister for Economic Development
Minister for Social Inclusion
Minister for the Arts
Minister for Sustainability and Climate Change
Contact details

July 21, 2006

Every State Premier and Territory Chief Minister is today announcing the formation of a new Council for the Australian Federation.

South Australian Premier Mike Rann has been unanimously appointed the inaugural Chair of this historic new Council – the first of its kind since Federation was formed in 1901.
Executive federalism
1996-2007

FEDERALIST PAPER 1
AUSTRALIA’S FEDERAL FUTURE

A REPORT FOR THE COUNCIL FOR THE AUSTRALIAN FEDERATION
PREPARED BY ANNE TWOMEY & GLENN WITHERS
APRIL 2007

FEDERALIST PAPER 2
THE FUTURE OF SCHOOLING IN AUSTRALIA

A REPORT BY THE STATES AND TERRITORIES
APRIL 2007
Regulatory federalism
1996-2007

About the AER
The Australian Energy Regulator (AER) performs economic regulation of the wholesale electricity market and electricity transmission networks in the National Electricity Market (NEM), and enforcement of the National Electricity Law and National Electricity Rules.
A States’ Perspective – Andrew Parkin

Program federalism
1996-2007

Tony Abbott, June 2003:
“One option is that the Commonwealth might directly fund schools, hospitals and service providers rather than use the states as intermediaries.”
Program federalism
1996-2007

Take health reins from states, PM told
Program federalism
1996-2007

Tony Abbott, June 2003:

“One option is that the Commonwealth might directly fund schools, hospitals and service providers rather than use the states as intermediaries. An alternative is more robust insistence on federal priorities when these agreements are negotiated.”
Program federalism
1996-2007

Abbott plans to muscle states on funding

As part of the Australian Government’s ongoing commitment to providing free hospital treatment for all Australians, State and Territory Governments will receive $42 billion from the Australian Government to help them run public hospitals under the 2003-2008 Australian Health Care Agreements.
Program federalism 1996-2007

PM to reshape schools

Samantha Maiden
Political correspondent

JOHN Howard will today outline a new push to “reshape the nation’s education and training landscape” and force public schools to provide more information for parents on bullying and violence in the classroom.

In a major speech outlining the Government’s agenda if it wins the next election, the Prime Minister will sharpen his attack on Kevin Rudd’s “education revolution” with a pledge to deliver a new era of accountability for parents.

The Australian 14 May 2007
Program federalism
1996-2007

May 14, 2007

TRANSCRIPT OF THE PRIME MINISTER'S ADDRESS TO THE CENTRE FOR INDEPENDENT STUDIES - THE POLICYMAKERS SERIES, CBA COMMUNICATIONS CENTRE, SYDNEY

Australia Rising to the Education Challenge

Last week’s budget in many ways stands on the shoulders of Menzies and his enormous education legacy: of university expansion, ending the divisive sectarianism over state aid to non-government schools, wider choice for parents and students, and a vision of education excellence centred not on government control but on open inquiry and the finest traditions of Western civilisation.

The Australian Government is committed to ensuring all Australian children receive a good quality education and develop core skills in areas such as literacy and numeracy. From 2009, Australian Government funding will be tied directly to quality reforms.
Program federalism
1996-2007

• 1999 Joint Treasuries paper

PRINCIPLES FOR SPECIFIC PURPOSE PAYMENT (SPP) AGREEMENTS

This paper is intended to serve as a guide for negotiators and administrators of SPP agreements, at all levels of government. It provides guidance on “best practice” in developing and agreeing SPP arrangements that meet the objectives of both the Commonwealth and the States and Territories. A model template encompassing the principles is provided at Appendix A.
Program federalism
1996-2007

• 2007 Dr Vince Fitzgerald, Allen Consulting Group, drawing on a State officials’ report

In essence, a new SPP model would strongly embody:

- a strategic outcomes focus with agreed outcome objectives and progress measures

- arrangements designed as a true partnership model with mutually balanced obligations and contributions

- emphasis on efficiency, flexibility, and minimal administrative burdens, and

- a major focus on dynamic improvement, stimulated by diversity in policy and delivery solutions.
Parallel federalism
1996-2007

AusLink Roads to Recovery Programme
From January 2001 to June 2005, the Australian Government distributed $1.2 billion under the Roads to Recovery Programme to Australian councils for local road improvements.

Over the four years from 1 July 2005 the government will contribute a further $1.35 billion. This is additional to its existing Financial Assistance Grants to councils for roads and other purposes.

Under the extended AusLink Roads to Recovery programme:
- $1.2 billion ($300 million in 2005-06) will be distributed using a formula directly to councils;
- $150 million ($40.6 million in 2005-06) is being allocated to unincorporated areas ($30 million) and AusLink Strategic Regional projects ($120 million).
Parallel federalism
1996-2007

A States’ Perspective - Andrew Parkin
Parallel federalism
1996-2007
Parallel federalism
1996-2007

National Community Crime Prevention Programme

Applications for the current round of NCCPP funding have now closed.

The Australian Government has committed $64 million to the National Community Crime Prevention Programme (NCCPP) which features a national community grants programme and another specifically for the Greater Western Sydney region. The NCCPP amount includes $6 million funding announced by the Prime Minister on 30 September 2005 for security related infrastructure, including Closed Circuit Television (CCTV) Systems.

The NCCPP provides funding for grass roots projects designed to enhance community safety and crime prevention by: preventing or reducing crime and anti-social behaviour, improving community safety and security, and reducing the fear of crime.
Parallel federalism
1996-2007
Parallel federalism
1996-2007

About Comcare

Comcare is responsible for workplace safety, rehabilitation and compensation in the Commonwealth jurisdiction.

Comcare is a statutory authority reporting to the Minister for Employment and Workplace Relations and administers two Acts of Parliament:

- the Occupational Health and Safety (Commonwealth Employment) Act 1991 (the OHS (CE) Act), and
- the Safety, Rehabilitation and Compensation Act 1988 (the SRC Act)
The States’ political assets

- jurisdiction
The States’ political assets

- jurisdiction
- unambiguous representation
The States’ political assets

- jurisdiction
- unambiguous representation
- news media orientation
The States’ political assets

- jurisdiction
- unambiguous representation
- news media orientation
- party structures
The States’ political assets

• jurisdiction
• unambiguous representation
• news media orientation
• party structures
• citizen identity?
The States’ political assets

- jurisdiction
- unambiguous representation
- news media orientation
- party structures
- citizen identity?