

BOARD OF TREASURERS

Communiqué

MELBOURNE

Friday 25 May 2018

The Board of Treasurers (Board) held its second meeting today, Friday 25 May 2018, in Melbourne. The Board comprises Treasurers from all Australian state and territory (state) governments.

Board strategic leadership

State treasurers expressed their commitment to the Board in providing **national leadership** on major economic and fiscal reform that improves the wellbeing and prosperity of all Australians. Treasurers are **uniquely placed** to drive improved efficiency, value for money and better outcomes for citizens in the delivery of critical services such as health, education and housing.

Treasurers committed to a set of **strategic priorities** and the development of a detailed work plan that will see states collaborating on **productivity**-enhancing reforms, delivering more efficient and responsive **services** that also enhance states' fiscal sustainability. Decisions made by the Board today, as detailed below, demonstrate their commitment to this strategic vision.

The Board's **Terms of Reference** was also agreed and a **formal agreement** to establish the Board was signed. The Board agreed it would **meet again in August** to continue its work and ensure states are well placed to respond to new challenges well into the future.

Lifting national productivity

Treasurers were unanimous on the need for states to pursue an **ambitious agenda to lift national productivity**, economic growth and living standards. They agreed to progress a joint states' agenda for productivity-enhancing reforms focusing on priority areas that would benefit from collective action.

Sustaining high quality services

States face significant **long-term fiscal pressures** in the delivery of valued public services. Treasurers discussed recent progress on national **health and education funding agreements**, and the need for continued collaborative and constructive dialogue with the Commonwealth. They reiterated states' commitment to delivering sustainable funding outcomes that meet all Australians' expectations for high-quality services and to identifying reform opportunities and priorities for providing world-class public hospitals and schools.

States discussed **progress on the national housing and homelessness agreement**, emphasising the importance of retaining flexibility to utilise Commonwealth funding to ensure the right outcomes in meeting housing needs. These agreements should deliver transparency and accountability, along with certainty of funding for core social housing, including indigenous housing, and homelessness services.

Driving meaningful tax reform

The Board continued its work comparing approaches to levying a **point of consumption tax** on online wagering (with the exception of the Northern Territory which will not be introducing one), and agreed to explore further possibilities for harmonisation, noting the unique circumstances in each jurisdiction. The Board has enjoyed early success in supporting efforts to **harmonise the taxation base of wagering activities** across the nation and will continue to develop harmonised administration arrangements; demonstrating the Board's ability to work together effectively on areas of common interest.

The Board agreed to undertake further work to assess the **merits of alternative national funding arrangements** given the fiscal pressures on the states. This work will consider the potential benefits available to the Commonwealth and the States resulting from any change.

More information: <https://www.treasury.nsw.gov.au/board-treasurers>