

Premier of Queensland Minister for the Arts

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Senator Jenny McAllister Chair Standing Committee on Finance and Public Administration References Committee PO Box 6100, Parliament House CANBERRA ACT 2600 Executive Building 100 George Street Brisbane PO Box 15185 City East Queensland 4002 Australia

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Dear Senator Jung

Thank you for your letter of 20 April 2016 inviting the Queensland Government to provide a written submission to the Inquiry into the Outcomes of the 42nd meeting of the Council of Australian Governments (COAG) meeting.

As you would be aware, Joe Hockey's first Federal Budget in 2014-15 was built around key policies which the Federal Government projected as cuts of \$80 billion across the state's health and education budgets. For Queensland, this equated to cutting \$12 billion to future funding for Queensland hospitals and \$6 billion in funding for Queensland schools from 2017–18 to 2024–25.

While I welcome the re-instatement of a portion of the health funding cuts as agreed at COAG, as well as the commitment to the preservation of activity-based funding and the national efficient price, this is only a small first step in addressing the funding gap created by the Federal Government's 2014–15 Budget. While we welcome this transitional step, further work is required to put in place sustainable and fair long–term health funding arrangements.

It is also important that funding for other health-related services are maintained as well, including dental care and mental health. It is vital that funding which ceases in June 2016 is continued in the areas of mental health (\$10.4 million) and adult public dental (\$30.3 million). If the current Federal Government cuts this funding, essential dental and mental health services will be ceased and waiting lists will grow. Initiatives that could be impacted include: reduction of long wait times for dental patients, improving dental care in remote areas, and boosting accommodation and community support options for mental health patients.

I remain very concerned, that despite efforts of States and Territories to open up a genuine conversation on the funding of the education for the future and benefit of all Australians, that the Prime Minister has instead chosen to defer the shortfall in school funding beyond the upcoming Federal Budget and election. The failure to resolve this now, places school communities, parents and pupils across Queensland and Australia, under significant funding uncertainty.

Yours sincerely

ANNASTACIA PALASZCZUK MP PREMIER OF QUEENSLAND MINISTER FOR THE ARTS