

Senate Finance and Public Administration Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates 13-16 Feb 2012

Prime Minister and Cabinet Portfolio

Department/Agency: Department of the Prime Minister and Cabinet

Outcome/Program: 1.1.1 Domestic Policy

Topic: Reward Payments

Senator: Senator Payne

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Type of Question: Written

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Question:

The CRC's latest report on progress under the National Seamless Economy reforms is the first to inform the Commonwealth as to whether the States and Territories should receive up to \$200m in reward payments. How are these payments to be structured? If a state, for example, fails to meet just one responsibility in just one deregulation priority, can the Commonwealth then withhold every dollar of reward payments to that state, despite meeting all its other obligations? Or is each reform allocated a certain amount of reward payment?

In the event that a state is struggling to meet the required timeframe for reforms, but intends to over the next financial year, can the reward payments under the first tranche be carried over to a subsequent year?

Is the quantum of reward payments to go to a state or territory entirely at the discretion of the Commonwealth Government? In the event that a state or territory will not meet its responsibilities in time, but those responsibilities were dependent upon the Commonwealth Government completing an earlier milestone in time, can the Commonwealth still decide to withhold reward payments?

Should a state decide that the measures it already has in place in relation to a certain reform stream are superior to those agreed to by COAG, will that state have its reward payments withheld?

Answer:

The Commonwealth is currently considering its position on these matters.