COMMUNIQUE

18 May 2014, Sydney

The unilateral termination of intergovernmental funding agreements, signed in good faith, is unacceptable.

The cuts to funding for States and Territories, and the manner in which they were imposed, will cause immediate and significant impacts on the hospital system and permanent structural deterioration in the recurrent funding positions of State and Territory Governments.

With this in mind, CAF:

1. Expresses grave concern that, contrary to the Prime Minister’s remarks today, there are immediate impacts on frontline services and the cost of living for Australians. For example, from 1 July 2014, there will be a reduction in funding for 1200 hospital beds across Australia and the withdrawal of over $300 million per year from concessions for pensioners and seniors.

2. Rejects the proposed $80 billion cuts to health and education, highlighting the massive impact on frontline services for all Australians and the significant impact on the fiscal sustainability of all the States and Territories.

3. Calls for an urgent COAG meeting to address these concerns before 1 July.

4. Agrees that the White Papers on the reform of the Federation must be accelerated and progressed as a true partnership with the States and Territories.