

2024 Update

Consultation on new issues

Tasmanian Government Submission

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I Introduction

This submission responds to the Commonwealth Grants Commission's (Commission) Discussion Paper on new issues in the 2024 Update.

Tasmania is broadly supportive of the Commission's proposed approach to data and other issues for the 2024 Update.

2 *Data issues*

2.1 **Justice - use of 2021 Census disaggregated First Nations population estimates**

The Commission's preliminary view is to apply 2016 Census based use weights to 2016 Census based population estimates for First Nations people in the 2024 Update justice assessment.

Tasmania notes that the Commission intends to incorporate 2021 Census estimates of First Nations populations into the justice assessment during the 2025 Methodology Review. On this basis, Tasmania supports the application of 2016 Census based use weights to 2016 Census estimates of First Nation populations for the 2024 Update.

2.2 **Transport - use of 2021 Census urban area geography data**

The Commission's preliminary view is to update the characteristics of urban areas that are applied to the regression coefficients in the urban transport assessment using:

- 2021 Census significant urban areas definitions to update urban area population and population weighted densities;
- 2021 Census distance to work data to update network complexity;
- updated Geoscience Australia average slope data to update topography; and
- 2016 Census passenger data to model passenger numbers.

Tasmania has no concerns with the Commission's preliminary view to use 2021 Census and Geoscience Australia data to update the urban transport assessment where these data are fit for purpose.

2.3 **Payroll tax - change in ABS employment and earnings public sector data**

The Commission's preliminary view is to discontinue the separate adjustment to remove the remuneration of Australian Defence Force personnel and Australian embassy employees from its measure of the payroll tax base from the 2022-23 assessment year, as it is no longer necessary.

Tasmania supports this approach.

3 Other issues

3.1 National capital - negative assessed GST needs

The Commission's preliminary view is to suspend the national capital assessment from the calculation of GST relativities for the 2024 Update if the ACT's assessed GST needs for the national capital assessment are negative.

Tasmania supports this approach.

3.2 Mining revenue - separate assessment of nickel

The Commission's preliminary view is to separately assess nickel royalties in the 2024 Update.

Tasmania supports a separate assessment of nickel royalties in the 2024 Update.

3.3 New Commonwealth payments

The Commission's proposed treatment of new Commonwealth payments is outlined in Attachment C of the Discussion Paper.

Tasmania supports the Commission's proposed treatment of new Commonwealth payments with the following exceptions:

- for the majority of states, including Tasmania, the *Primary Care Pilot* program will improve primary care services. As primary care is not a state responsibility, this funding should be treated as no impact; and
- the purpose of the *Expansion of the John Flynn Prevocational Doctor Program* is to increase rural general practitioners, previously delivered under a grant program. As primary care is not a state responsibility, this funding should be treated as no impact.