

Thank you for providing us with the further thoughts of Commission staff regarding the issues associated with geographic classification.

In your discussion you presented Victoria's position as being more unequivocal than was stated in our response to your discussion paper. In particular, Box 1 of the email states that Victoria considered that Darwin and Hobart should be considered regional cities. In our submission we stated that there needed to be an evidence base to support those cities to be treated differently to capital cities. The evidence presented, relating to only a couple of categories, does not appear adequate to support broader generalisation. That makes our view not that much different to those states who said '...the evidence we had presented was not compelling'.

We appreciate the complexities involved in putting a position before the Commission. However, your email has not presented any additional analysis to that in your discussion paper. As a consequence Victoria has no basis for changing its currently stated position.

We look forward to the outcomes of the Commission's deliberations and working with you to understand the implications of the chosen method of geographic classification.