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COMMONWEALTH GRANTS COMMISSION AMENDMENT BILL 1977

Date Introduced: 1 November 1977
House: House of Representatives
Presented by: Hon. A.A. Street, M.P.,
Minister representing the Minister for Administrative Services

Short Digest of Bill

Purpose

To reduce the permissible minimum and maximum numbers of members of the Commonwealth Grants Commission.

Provisions

The minimum number of members of the Commission for it to be legally constituted will be reduced from four to two (not including the Chairman) and the maximum number from seven to four. (Clause 3(a)).

The number of members, excluding the Chairman, necessary for the performance of the functions or powers of the Commission will also be reduced from four to two. (Clause 3(b)).

Background

With the death of one of the members of the Commission on 30 March 1977 and the resignation of two other members on 23 and 30 May 1977 respectively, the Commission's membership has been reduced from six to three. Under section 8 of the *Commonwealth Grants Commission Act 1973*, the membership could only fall below four for not more than six months before the performance of the functions and powers of the Commission were affected. Consequently, unless a new member is appointed or the minimum membership requirement under the Act is reduced, there will be one member too few for the functioning of the Commission by 30 November 1977.

The Government's decision to reduce the membership requirements rather than to appoint another member is presumably linked to the reduced role of the Commission regarding grants for local government under the Government's new federalism policy. Instead of recommending the amounts of the general purpose grants to regional groupings of local government authorities, the Commission is only involved in reviewing the proportionate distribution between the States of the Commonwealth's financial assistance for local government authorities under the *Local Government (Personal Income Tax Sharing) Act 1976*. The States' local government grants commissions are responsible for the actual allocation of the grants to local authorities within their States.

2 November 1977

Finance, Industries, Trade and Development Group
LEGISLATIVE RESEARCH SERVICE

Commonwealth Grants Commission Amendment Bill 1977 (Bills Digest 124, 1977)

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