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COMMONWEALTH GRANTS COMMISSION AMENDMENT BILL 1979

Date Introduced: 20 November 1979  
House: House of Representatives  
Presented by: Hon. J.E. McLeay, M.P., Minister for  
Administrative Services

Short Digest of Bill

Purpose

To amend the Commonwealth Grants Commission Act 1973 to enable matters relating to the financing of ACT works and services to be referred to the Commonwealth Grants Commission for inquiry and report.

Background

In recent years there have been repeated calls by the ACT House of Assembly and other interested bodies (such as the Centre for Research on Federal Financial Relations at ANU) for the finances of the ACT to be subjected to an independent assessment. Such an assessment is necessary, it has been argued, in order to investigate such questions as:

- to what extent do the residents of the Territory 'pay their own way' in respect of those State and local government type services which in the ACT are provided by the Commonwealth Government?

- are there any special advantages or disadvantages peculiar to the ACT which affect the costs of providing those State and local type services?, and

- is the relative severity of State and local government type taxes and charges paid by residents of the ACT (eg rates, stamp duty etc) greater or lesser than in the States?

The Government, in this Bill, is paving the way for such an inquiry by expanding the responsibilities of the Commonwealth Grants Commission to include any references on ACT finances given to it by the Minister for Administrative Services. The exact nature of any assessment undertaken will, however, depend on the nature of the reference from the Minister.

The Commonwealth Grants Commission is a non-political body which has had considerable experience in examining the finances of State and local governments.

**Main Provisions**

Clause 3 provides for a new section, 16B, to be inserted into the Principal Act. New sub-section 16B(1) provides that the Commonwealth Grants Commission shall inquire into and report on any matters relating to the financing of works and services in respect of the ACT that are referred to it by the Minister for Administrative Services. New sub-section 16B(2) specifies that 'works and services provided in respect of the ACT' refers to similar types of works and services to those which, in the States, are provided by State Governments, State authorities or local governments.

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