

Press Statement No. 65

20 March 1973

COMMONWEALTH GRANTS COMMISSION

Cabinet today decided to amend the Grants Commission Act to authorise a full inquiry into the application of grants for Local Government purposes.

The Cabinet decision followed the undertaking in Labor's Election Policy Speech that legislation on the amendment would be introduced in the first sitting of Federal Parliament.

Today's decision will not alter the Commission's function regarding special grants paid to claimant States. The Commission however will be given the additional task of recommending Section 96 grants to the States for payment to Local Government.

Cabinet decided that:

- Assistance for Local Government under the amended Act should take the form of Section 96 grants to State Governments and be provided only on condition that they are paid to the Local Government organisations for which they are intended.
- Applications for assistance should be addressed to the Special Minister of State with a copy to the State Governments.
- Applications eligible for reference to the Grants Commission to be confined to applications from regional organisations of Local Government, approved for the purpose by the Minister for Urban and Regional Development.
- The Grants Commission after investigation of an application to recommend to the Government the amount of assistance considered appropriate.
- The Grants Commission Act should provide for the continuation of the Commission's present functions in relation to applications for special grants by the claimant States.