



Speech by  
**Hon. NITA  
CUNNINGHAM**

**MEMBER FOR BUNDABERG**

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Hansard 18 October 2001

**MINISTERIAL STATEMENT**

**Financial Assistance Grants**

**Hon. J. I. CUNNINGHAM** (Bundaberg—ALP) (Minister for Local Government and Planning) (10.08 a.m.), by leave: In July, as part of the Estimates Committee debates, I was able to advise that, after a period of negotiation, my federal colleague Senator Ian Macdonald agreed to my proposal for the allocation of this year's financial assistance grants to Queensland councils. The basis of my proposal was that no Queensland council should receive a lower grant this year than last year. After initially refusing to agree to my proposal, Senator Macdonald did sign off on the arrangement, on condition that the federal government is consulted on, and agrees with, the terms of reference and the process that the Queensland Local Government Grants Commission proposes to use in a review of our methodology for distributing the financial assistance grants to Queensland councils.

As members would be aware, this government has given a commitment to review the methodology used by the Queensland Grants Commission in a bid to ensure that it is more transparent to our councils. In addition, a crucial element of the review is to ensure that councils have more certainty about their allocations, putting an end to the situation where councils may not find out the amount of their grant until well after they have delivered their budgets.

I wish to advise the House that the terms of all five current members of the Queensland Grants Commission expire on 31 October 2001 and work has begun on the process of appointing the new commission. Traditionally, the Local Government Association of Queensland has provided nominations for three of these positions, while the chairperson and deputy chair are chosen by the minister. The LGAQ has already provided me with its nominations.

At this time, I would like to place on the record my regard for and appreciation of the work done by the current commission members. It is no easy task to make recommendations on the disbursement of the Financial Assistance Grant. Members of the new commission face two major challenges. Firstly, they will be required to implement any changes to their methodology that the federal government may decide to impose on the states as a result of the Commonwealth's review of its act. Secondly, while the current commission has begun work on reviewing our methodology, the new commission will have to come to terms with how to complete this review to bring about a clearer methodology and one that is understood by the councils.

The current commission has advised me it has begun that review but has decided not to announce any of the details, including the terms of reference, because it does not want to impede the incoming commission. But as soon as the new commissioner has decided on how to progress the review, I will arrange for the details to be given to the federal government.

Finally, in line with the Local Government Act 1993, I table the *Queensland Local Government Grants Commission 25th Report, 2001, on the Financial Assistance for Local Government*, which lists how this \$258 million in financial assistance was distributed between the state's councils for the 2001-02 year, and provides explanations on the methodology used to calculate this grant.

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