



Local Government (Financial Assistance) (Final Factor for 2021-22 and Estimated Factor for 2022-23) Determination 2022

I, Andrew Leigh, Assistant Minister for Competition, Charities and Treasury, make the following determination.

Dated 28 June 2022

Dr Andrew Leigh
Assistant Minister for Competition, Charities and Treasury
Parliamentary Secretary to the Treasurer

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Part 1—Preliminary

1 Name

This instrument is the *Local Government (Financial Assistance) (Final Factor for 2021-22 and Estimated Factor for 2022-23) Determination 2022*.

2 Commencement

- (1) Each provision of this instrument specified in column 1 of the table commences, or is taken to have commenced, in accordance with column 2 of the table. Any other statement in column 2 has effect according to its terms.

Commencement information		
Column 1	Column 2	Column 3
Provisions	Commencement	Date/Details
1. The whole of this instrument	Immediately after this instrument is registered.	

Note: This table relates only to the provisions of this instrument as originally made. It will not be amended to deal with any later amendments of this instrument.

- (2) Any information in column 3 of the table is not part of this instrument. Information may be inserted in this column, or information in it may be edited, in any published version of this instrument.

3 Authority

This instrument is made under the *Local Government (Financial Assistance) Act 1995*.

4 Definitions

Note: Paragraph 13(1)(b) of the *Legislation Act 2003* has the effect that expressions have the same meaning in this instrument as in the *Local Government (Financial Assistance) Act 1995* as in force from time to time.

In this instrument:

the Act means the *Local Government (Financial Assistance) Act 1995*.

Part 2—Final factor for the year 2021-22

5 Determination of final factor for 2021-22

For the purposes of subsection 8(1) of the Act, the factor in relation to the 2021-22 year is 1.3548.

6 How the final factor was worked out

- (1) Under subsection 8(1) of the Act, the factor in relation to the 2021-22 year is to be worked out by applying the formula set out in paragraph 8(1)(a) of the Act and then adjusting the result under whichever of paragraphs 8(1)(b) and (c) of the Act are applicable.

Paragraph 8(1)(a) formula

- (2) The factor calculated under paragraph 8(1)(a) of the Act is as follows:

$$\left(\frac{25,633,846}{25,522,090}\right) \times \left(\frac{123.9}{117.9}\right) = 1.05549$$

Note 1: Under section 4A, the Statistician made the estimate of the population of Australia as at 31 December 2020 on 28 June 2022 (published and available at www.abs.gov.au).

Note 2: Under section 4A, the Statistician made the estimate of the population of Australia as at 31 December 2019 on 28 June 2022 (published and available at www.abs.gov.au).

Note 3: The formula uses the All Groups Consumer Price Index number, being the weighted average of the 8 capital cities, published on 27 April 2022 by the Statistician in respect of the 2022 March quarter (published and available at www.abs.gov.au).

Note 4: The formula uses the All Groups Consumer Price Index number, being the weighted average of the 8 capital cities, published on 28 April 2021 by the Statistician in respect of the 2021 March quarter (published and available at www.abs.gov.au).

Paragraph 8(1)(b) modification

- (3) The result of subsection (2) was modified by increasing the factor by 0.0001 under paragraph 8(1)(b) of the Act as the fifth decimal place was greater than 4.

Paragraph 8(1)(c) modification

- (4) The result of subsection (3) was modified under paragraph 8(1)(c) of the Act as a result of special circumstances, being the need to account for the Commonwealth's decision to bring forward the first 2 quarterly payments in the 2021-22 year into the 2020-21 year and the first 3 quarterly payments in the 2022-23 year into the 2021-22 year. The modification was worked out by multiplying the result of subsection (3) by the following formula:

$$\left(\frac{2021-22 \text{ amount} - 2020-21 \text{ amount} + 2022-23 \text{ amount}}{2020-21 \text{ final entitlement}}\right) \times \left(\frac{1}{\text{sub (3) factor}}\right)$$

Where:

Section 6

2020-21 amount means the first 2 quarterly payments that were brought forward from the year 2021-22 to be paid in the year 2020-21.

2021-22 amount means the amount that would have been the base figure for the year 2021-22 if the Commonwealth had not decided to bring forward any quarterly payments.

2022-23 amount means the first 3 quarterly payments that were brought forward from the year 2022-23 to be paid in the year 2021-22.

2020-21 final entitlement means the base figure for the year 2020-21.

sub (3) factor means the result of subsection (3).

Section 7

Part 3—Estimated factor for the year 2022-23

7 Determination of estimated factor for 2022-23

For the purposes of paragraph 7(3)(b) of the Act, the estimated factor in relation to the 2022-23 year is 0.1993.

8 How the estimated factor has been worked out

- (1) Under subsection 8(1) of the Act, the factor in relation to the 2022-23 year is to be worked out by applying the formula set out in paragraph 8(1)(a) of the Act and then adjusting the result under whichever of paragraphs 8(1)(b) and (c) of the Act are applicable.
- (2) The factor calculated under paragraph 8(1)(a) of the Act is as follows:

$$\left(\frac{25,761,743}{25,633,846}\right) \times \left(\frac{126.6}{123.9}\right) = 1.02689$$

Note 1: Under section 4A, the Statistician made the estimate of the population of Australia as at 31 December 2021 on 28 June 2022 (published and available at www.abs.gov.au).

Note 2: Under section 4A, the Statistician made the estimate of the population of Australia as at 31 December 2020 on 28 June 2022 (published and available at www.abs.gov.au).

Note 3: The formula uses the 2022-23 Budget forecast of the Department of the Treasury of the All Groups Consumer Price Index number, being the weighted average of the 8 capital cities, in respect of the 2023 March quarter.

Note 4: The formula uses the All Groups Consumer Price Index number, being the weighted average of the 8 capital cities, published on 27 April 2022 by the Statistician in respect of the 2022 March quarter (published and available at www.abs.gov.au).

Paragraph 8(1)(b) modification

- (3) The result of subsection (2) was modified by increasing the factor by 0.0001 under paragraph 8(1)(b) of the Act as the fifth decimal place was greater than 4.

Paragraph 8(1)(c) modification

- (4) The result of subsection (3) was modified under paragraph 8(1)(c) of the Act as a result of special circumstances, being the need to account for the Commonwealth's decision to bring forward the first 3 quarterly payments in the 2022-23 year into the 2021-22 year. The modification was worked out by multiplying the result of subsection (3) by the following formula:

$$\left(\frac{2022-23 \text{ amount} - 2021-22 \text{ amount}}{2021-22 \text{ final entitlement}}\right) \times \left(\frac{1}{\text{sub (3) factor}}\right)$$

Where:

2021-22 amount means the first 3 quarterly payments that were brought forward from the year 2022-23 to be paid in the year 2021-22.

Section 8

2022-23 amount means the amount that would have been the base figure for the year 2022-23 if the Commonwealth had not decided to bring forward any quarterly payments.

2021-22 final entitlement means the base figure for the year 2021-22.

sub (3) factor means the result of subsection (3).