Local Government (Financial Assistance) (Final Factor for 2023-24 and Estimated Factor for 2024-25) Determination 2024

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

Dated   26 June 2024

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

Contents

Part 1—Preliminary

1 Name

This instrument is the *Local Government (Financial Assistance) (Final Factor for 2023-24 and Estimated Factor for 2024-25) Determination 2024*.

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.	28 June 2024

Note: This table relates only to the provisions of this instrument as originally made.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: Expressions have the same meaning in this instrument as in the *Local Government (Financial Assistance) Act 1995* as in force from time to time—see paragraph 13(1)(b) of the *Legislation Act 2003*.

In this instrument:

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

Local Government (Financial Assistance) (Final Factor for 2023-24 and Estimated Factor for 2024-25) Determination 2024

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Part 2—Final factor for the year 2023-24

5 Determination of final factor for 2023-24

For the purposes of subsection 8(1) of the Act, the factor in relation to the 2023-24 year is 0.7089.

6 How the final factor was worked out

(1) Under subsection 8(1) of the Act, the factor in relation to the 2023-24 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:

$$\left(\frac{26,310,635}{25,766,741}\right) \times \left(\frac{137.4}{132.6}\right) = 1.05807$$

Note 1:   For the purposes of section 4A, the Statistician made the estimate of the population of Australia as at 31 December 2022 on 13 June 2024 (published and available at www.abs.gov.au).

Note 2:   For the purposes of section 4A, the Statistician made the estimate of the population of Australia as at 31 December 2021 on 15 June 2023 (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 24 April 2024 by the Statistician in respect of the 2024 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 26 April 2023 by the Statistician in respect of the 2023 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 all of the payments in the 2023-24 year into the 2022-23 year and 85 per cent of the payments in the 2024-25 year into the 2023-24 year. The modification was worked out by multiplying the result of subsection (3) by the following formula:

$$\left(\frac{2023\text{-}24\ amount - 2022\text{-}23\ amount + 2024\text{-}25\ amount}{2022\text{-}23\ final\ entitlement}\right) \times \left(\frac{1}{subsection\ (3)\ factor}\right)$$

Where:

2022-23 amount means all of the payments that were brought forward from the year 2023-24 to be paid in the year 2022-23.

2023-24 amount means the amount that would have been the base figure for the year 2024-25 if the Commonwealth had not decided to bring forward any payments.

2024-25 amount means 85 per cent of the payments that were brought forward from the year 2024-25 to be paid in the year 2023-24.

2022-23 final entitlement means the base figure for the year 2022-23.

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

Part 3—Estimated factor for the year 2024-25

7 Determination of estimated factor for 2024-25

For the purposes of paragraph 7(3)(b) of the Act, the estimated factor in relation to the 2024-25 year is 0.1777.

8 How the estimated factor has been worked out

(1) Under subsection 8(1) of the Act, the factor in relation to the 2024-25 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 for the purposes of paragraph 8(1)(a) of the Act is as follows:

$$\left(\frac{26,961,801}{26,310,635}\right) \times \left(\frac{140.7}{137.4}\right) = 1.04936$$

Note 1:   For the purposes of section 4A, the Statistician made the estimate of the population of Australia as at 31 December 2023 on 13 June 2024 (published and available at www.abs.gov.au).

Note 2:   For the purposes of section 4A, the Statistician made the estimate of the population of Australia as at 31 December 2022 on 13 June 2024 (published and available at www.abs.gov.au).

Note 3:   The formula uses the 2024-25 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 2025 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 24 April 2024 by the Statistician in respect of the 2024 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 for the purposes of 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 85 per cent of the payments in the 2024-25 year into the 2023-24 year. The modification was worked out by multiplying the result of subsection (3) by the following formula:

$$\left(\frac{2024\text{–}25\ amount - 2023\text{–}24\ amount}{2023\text{–}24\ final\ entitlement}\right) \times \left(\frac{1}{subsection\ (3)\ factor}\right)$$

Where:

2023-24 amount means 85 per cent of the payments that were brought forward from the year 2024-25 to be paid in the year 2023-24.

2024-25 amount means the amount that would have been the base figure for the year 2024-25 if the Commonwealth had not decided to bring forward any payments.

2023-24 final entitlement means the base figure for the year 2023-24.

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