



COMMONWEALTH OF AUSTRALIA

PARLIAMENTARY DEBATES



**THE SENATE**

**BILLS**

**Public Governance, Performance  
and Accountability Amendment  
(Improved Grants Reporting) Bill 2021**

**Second Reading**

**SPEECH**

**Wednesday, 4 August 2021**

BY AUTHORITY OF THE SENATE

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## SPEECH

<b>Date</b>	Wednesday, 4 August 2021	<b>Source</b>	Senate
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<b>Questioner</b>		<b>Responder</b>	
<b>Speaker</b>	Gallagher, Sen Katy	<b>Question No.</b>	

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**Senator GALLAGHER** (Australian Capital Territory—Manager of Opposition Business in the Senate) (16:14):  
I move:

That this bill be now read a second time.

I seek leave to table an explanatory memorandum relating to the bill.

Leave granted.

**Senator GALLAGHER:** I table an explanatory memorandum and seek leave to have the second reading speech incorporated in *Hansard*.

Leave granted.

*The speech read as follows—*

The Public Governance, Performance and Accountability Amendment (Improved Grants Reporting) Bill 2021 is being introduced to improve accountability and standards in grants administration.

The Commonwealth Grants Rules and Guidelines, issued under the *Public Governance, Performance and Accountability Act 2013*, establish the Commonwealth's grants policy framework and sets out the requirements and expectations for the administration of grants.

While mainly aimed at Commonwealth departments and agencies, there are some requirements that apply to Ministers. These relate to where Ministers approve grants that have not been recommended by the relevant officials, and where Ministers award grants within their own electorates.

Sub-paragraph 4.12a of the Grants Rules and Guidelines require Ministers to report annually to the Finance Minister on all instances where they have approved grants that relevant officials have recommended be rejected. This report must contain a brief statement of reasons, and is to be provided to the Finance Minister by 31 March each year for the preceding calendar year.

Sub-paragraph 4.12b of the Grants Rules and Guidelines require reporting to the Finance Minister of grants awarded by Ministers within their own electorates.

While there is public reporting of this information, there is a lag in timing. There is a Senate Order that requires the tabling of all reports and correspondence received by the Finance Minister under paragraph 4.12 of the Grants Rules and Guidelines by no later than 30 April. These reports and correspondence relate to grants awarded in the preceding calendar year (so the Senate Order this year related to grants awarded from 1 January to 31 December 2020).

This bill amends the *Public Governance, Performance and Accountability Act 2013* to prescribe the reporting requirements currently found in the Grants Rules and Guidelines in primary legislation and improve the timeliness of those requirements. The bill would require Ministers approving grants against departmental recommendation, or within their own electorates, or grants that did not meet any of the relevant selection criteria to provide reports to the Finance Minister within 30 days of their approval. The Finance Minister would then need to table those reports in the Parliament within 5 sitting days of receiving them.

This would provide an extra layer of accountability and transparency in grants reporting, and make Ministers consider their decisions noting there will be public reporting.

It is another important step in ensuring that governments remain open and accountable to the Parliament, and to the Australian public.

**Senator GALLAGHER:** I seek leave to continue my remarks later.

Leave granted; debate adjourned.