

MEDIA RELEASE

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Mayor challenges Federal budget cost shifting.

The Mayor of Roper Gulf Regional Council has expressed concern that the freezing of the indexation of Federal Assistance Grants has left rural and remote Councils missing an important and expected funding boost.

“These grants were set to increase with the Consumer Price Index and expected population growth over the next four years but with the Federal budget these have now been frozen.” Mayor Jack explained.

“It is communities like ours that will be hit the hardest as we rely on the Federal Assistance Grants more heavily than urban local government due to our relatively low rates base. We often have large road networks that need constant maintenance and costs never faced by urban areas. This is going to effect most rural and remote local governments,” he added.

“We strongly commend the extra local infrastructure spending in the budget but this is being eroded by the freezing of the FAG. The grants will continue but as costs increase, as they always do, we will have less to spend on local infrastructure and the range of other community services supported by this funding.

We have become very efficient in our budgeting but this decision is likely to impact on jobs and community projects.

Our Council has come a long way in becoming sustainable and accountable but like the whole of the Northern Territory we are dependent on Federal funding to be able to provide reasonable services for our residents and our visitors. Not allowing for growth in costs is just cost shifting back to small rural communities.”

Mayor Jack has called on the Federal Government to reintroduce indexation of the Federal Assistance Grants in the next financial year

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