Remote Area Local Government Funding to be Maintained

John Ah Kit MLA
Minister for Local Government

Most local government councils in remote areas of the Territory will maintain if not increase their funding from the Northern Territory Government.

Under a funding formula for the distribution of Operational Subsidy by the Northern Territory which was introduced back in 1999/2000, the majority of small, remote councils would have undergone a substantial funding cut this financial year.

The Minister for Local Government, John Ah Kit, has announced that the Government has moved to provide on a once only basis an additional amount of funding totalling $450,000 to remove funding formula shortfalls for councils.

Mr Ah Kit said that the move is being made in recognition of the difficulty that a lot of small councils experience in making the types of changes that are being encouraged.

“For many years the previous Government went about encouraging every small community to set up their own local government. Then when they had established a council, the money was simply not there to sustain the system that had been set up.

“The Government set out in its Stronger Regions—Stronger Futures strategy where it wants to see the changes made. The Territory community simply cannot sustain the number of small councils that are there at present as effective representative structures or service delivery organisations.

“However, we recognise that communities must move at their own pace in seeking ways to increase sustainability.

“Under funding formula councils and communities are able to sustain funding levels by either raising their own revenue through service charges or joining with other communities in larger, more effective councils.”

Mr Ah Kit said that departmental officers would increase their efforts to work with community leaders to achieve better outcomes for their communities in the future.

The second quarter allocations, to be distributed this week, will be adjusted to reflect the additional $450,000 in annual funding.