Changes to hand-gun legislation initiated by the Prime Minister last year have been passed by the Northern Territory Parliament today.

"National gun reforms were proposed by the Commonwealth following the shooting at Monash University," Police Minister Paul Henderson said.

"The Council of Australian Governments (COAG) agreed to tighten gun laws, and jurisdictions across Australia are now introducing legislation consistent with the national agreement."

A national buy-back of prohibited guns will be initiated, with the cost of the scheme in the NT to be of shared between the Territory and Federal Governments, with the Commonwealth picking up two-thirds of the bill.

"The Commonwealth has agreed with the Northern Territory Government to fully fund the buy-back of any non-prohibited handguns voluntarily handed in to Police," he said.

"This funding arrangement is appropriate, with the Commonwealth paying the larger-share and acknowledging it was they who initiated the handgun reforms."

The national buy-back scheme implemented by the previous Government in 1996/97 saw 9474 firearms purchased within the Northern Territory.

The upcoming buy-back is expected to be on a much smaller scale, with NT Police estimating in the order of 2000 hand-guns will be effected.

Mr Henderson said it was disappointing the Federal Government had rejected the Northern Territory Government’s push to exempt handguns used in five sporting events from the restrictions, instead limiting the exemption list to two categories.

"Along with Western Australia and South Australia, the Territory pushed for the additional three categories to be exempt because they are used in recognised international sporting events, and it was within the spirit of the COAG agreement that these events be allowed to continue.

"It is disappointing that again the larger states have sided with the Prime Minister and the call for these three categories to be exempt was ignored."

Mr Henderson acknowledged the contribution of the NT Shooter’s Council in shaping the procedures of the new legislation.

"The Government, the Shooter’s Council and the NT Police have been able to work constructively together to see the implementation of the new laws will be as suitable to Territory conditions as possible."