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INITIATIVE

ADDRESS THE SOUTH AUSTRALIAN ROAD FUNDING ANOMALY

WHAT IS THE ISSUE?

For many years, there has been a shortfall in the level of funding to South Australian councils under the Identified Roads Component of their Financial Assistance Grants (FAGs).

WHY IS THIS IMPORTANT FOR COMMUNITIES?

This funding is immensely important to helping South Australian councils keep their roads safe for motorists by upgrading and maintaining their local road networks.

WHAT DO WE KNOW?

- While FAGs are untied in the hands of councils, they are comprised of two components: a General Purpose Component and an Identified Roads Component.
- There has been a long-standing shortfall in the Identified Roads Component for South Australian councils, which places South Australian local roads at a disadvantage
- Since 2003, successive Governments have applied bandaid funding to this unfair funding formula. This supplementary funding stopped in the 2014–15 Federal Budget.
- In 2017, the Commonwealth made a decision to reinstate supplementary road funding for South Australia at the rate of \$20 million per annum for two years (2017–18 and 2018–19).
- Although this decision was welcomed by ALGA and South Australian councils, it is a temporary fix to a demonstrated problem.

LOCAL GOVERNMENT PROPOSES

Address the South Australian road funding anomaly by adjusting the Identified Roads Component of FAGs to make the additional funding to South Australia permanent.

