

Fact Sheet 1 – Financial Assistance Grants

- The 2023-24 Budget maintains the system of payments to support local government, through Financial Assistance Grants.
- In 2023-24, the Australian Government will provide **\$3.106B** in Financial Assistance Grants funding.
- Note, funding of \$2.1B was bought forward from 2022-23 into 2021-22 for COVID-19 and impacts of flooding. The 2022-23 amount is therefore \$833.5M. In recognition of cashflow pressures in some local governments, the Australian Government will continue to work with states in relation to the financial sustainability of the sector, including advancing 75% of funding earlier than would usually occur.
- The Financial Assistance Grants as a proportion of Commonwealth Tax Revenue in 2023-24 is estimated to be **0.5%**.
- Financial Assistance Grants continue to comprise two components: general purpose assistance grants; and untied local roads grants.

Table 1 Overview of Financial Assistance Grants 2023-24

Table 1: Financial Assistance Grants 2023-24	
General Purpose Component	\$2.151.7B
Local Road Component	\$954.8M
Total Financial Assistance Grants	\$3.106B

Table 2 Financial Assistance Grants for the period 2023-24 to 2026-27.

Table 2: Total Financial Assistance Grants to local government 2023-24 to 2026-27				
	2023-24	2024-25	2025-26	2026-27
	\$m	\$m	\$m	\$m
General Purpose Component	\$2,151.7	\$2,255.8	\$2,348.8	\$2,444.4
Local Road Component	\$954.8	\$1,001.0	\$1,042.2	\$1,084.6
<i>Total financial assistance grants</i>	\$3,106.4	\$3,256.8	\$3,391.0	\$3,529.0

Table 3 Financial Assistance Grants by jurisdiction – 2023-24

Table 3: Financial Assistance Grants by jurisdiction 2023-24									
	NSW \$m	VIC \$m	QLD \$m	WA \$m	SA \$m	TAS \$m	ACT \$m	NT \$m	TOTAL \$m
General Purpose Component	\$674.4	\$549.1	\$441.3	\$230.9	\$150.4	\$47.1	\$37.8	\$20.7	\$2,151.7
Local Road Component	\$277.0	\$196.8	\$178.9	\$146.0	\$52.5	\$50.6	\$30.6	\$22.4	\$954.8
TOTAL	\$951.4	\$746.0	\$620.1	376.9	\$202.9	\$97.7	\$68.4	\$43.1	\$3,106.4