



The Hon Nola Marino MP

Assistant Minister for Regional Development and Territories
Federal Member for Forrest

Ref: MC19-004210

Mr David O'Loughlin
President
Australian Local Government Association
8 Geils Court
DEAKIN ACT 2600

Dear Mr O'Loughlin

Thank you for your email of 14 August 2019 regarding the resolution of the National General Assembly of Local Government to support funding for the local governments in Australia's external territories.

The Australian Government is committed to supporting, and working in partnership with, local governments to improve liveability and sustainability in regional communities.

In the external territories, the Government provides Financial Assistance Grant-type payments to the Shire of Christmas Island, the Shire of Cocos (Keeling) Islands and the Norfolk Island Regional Council (NIRC). This funding supports the local governments to provide services to the communities, such as road maintenance and waste management.

In the Indian Ocean Territories, payment amounts are based on advice from the Western Australian Local Government Grants Commission (the Commission). In 2018-19, following consultation with the local governments of the Indian Ocean Territories, the Commission recommended that they receive the full equalisation, compared with the scaleback of 69 per cent recommended for Western Australian local governments. The Commission's view was that the Indian Ocean Territories face unique circumstances and that without further funding, they could not reach a similar standard to average Western Australian local governments.

Based on these recommendations, the Government provided \$5.5 million to the Shire of Christmas Island and \$3.6 million to the Shire of Cocos (Keeling) Islands in 2018-19. In 2019-20, the Government is providing \$5.8 million to the Shire of Christmas Island and \$3.8 million to the Shire of Cocos (Keeling) Islands.

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Parliament House Canberra | (02) 6277 4293 | minister.marino@infrastructure.gov.au

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On Norfolk Island, the Government is advised by the New South Wales Local Government Grants Commission in relation to the quantum of the Financial Assistance Grant payment. In 2019-20, the Government is providing \$3.991 million to the NIRC.

Consistent with its state-type role, the Government also supports the local governments to meet identified infrastructure needs. In the Indian Ocean Territories, this includes managing coastal erosion and maintaining local roads. On Norfolk Island, the Government provides ad-hoc funding for NIRC projects, including a recent commitment of \$43 million for the Norfolk Island Airport resurfacing project.

Thank you for bringing your concerns to my attention and I trust this is of assistance.

Yours sincerely

A handwritten signature in blue ink that reads "Nola Marino". The signature is written in a cursive, flowing style.

Nola Marino