

## FINANCIAL ASSISTANCE GRANTS FOR 2021-2022

For 2021-22, the Australian Government will distribute a total of \$2.66 billion in Financial Assistance Grants (FA Grants) to the States. South Australia will receive \$171.68 million, which includes both a general purpose grant and local roads grant.

The general purpose funding for South Australia is \$126.8 million. This funding is distributed to States on a per capita basis. South Australia's share has been reducing as its population as a proportion of the national population declines.

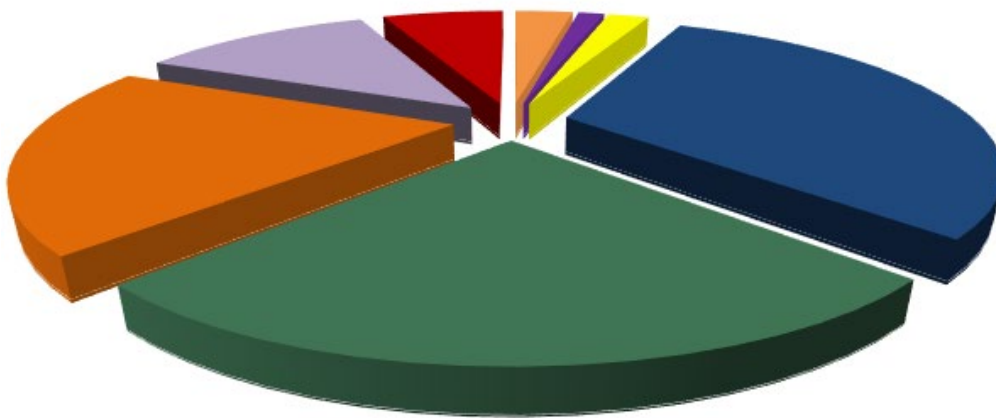
The local roads funding for South Australia is \$44.88 million, which includes special local road funding of \$6.73 million. Local road funding is distributed to States based on those roads existing prior to the 1991-92 financial year. South Australia receives less than a per capita share of this funding.

The pool of funding from the Australian Government is indexed each year in line with the requirements of the Federal legislation.

Indexation of FA Grants is an annual increase in grants based on population changes and increases in the Consumer Price Index.

In 2021-22, there were 68 councils, the Outback Communities Authority and five Aboriginal communities eligible for FA Grants in South Australia.

State Entitlements: Total Commonwealth Financial Assistance Grant Funding for Local Government  
2021-22 proportion as a percent of total funding distributed



NSW	\$821.8 million	30.9%
VIC	\$646.8 million	24.3%
QLD	\$525.0 million	19.8%
WA	\$316.0 million	11.9%
SA	\$171.7 million	6.5%
TAS	\$ 82.1 million	3.1%
NT	\$ 36.7 million	1.4%
ACT	\$ 57.1 million	2.2%



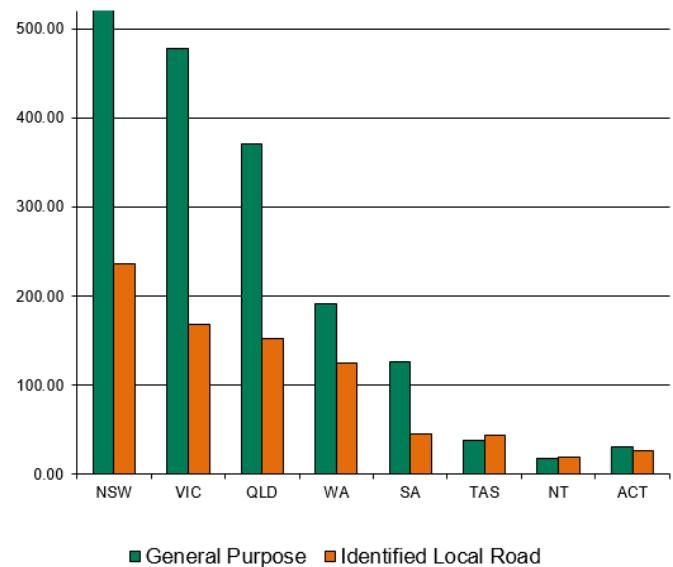
## ROADS TO RECOVERY - SPECIAL LOCAL ROADS PROGRAM FOR 2021-22

The Australian Government requires that the structure of the Roads to Recovery Grants for South Australia replicate that of the Identified Local Road Grants, i.e., 85% formulae grants and 15% special local road grants. The formulae component of these grants is allocated by the Australian Government direct to councils, with the remaining 15% special local road grants component based on the recommendations of the Grants Commission.

Funding from the special projects component of the Roads to Recovery Program for 2021-22 will provide \$6.08 million.

Projects may be funded out of each of these pools of funding or a combination of both pools and grants are tied for a specific project.

Summary of Grants for 2021-22: Based on Final Estimates – July 2021



## SUPPLEMENTARY LOCAL ROAD FUNDING

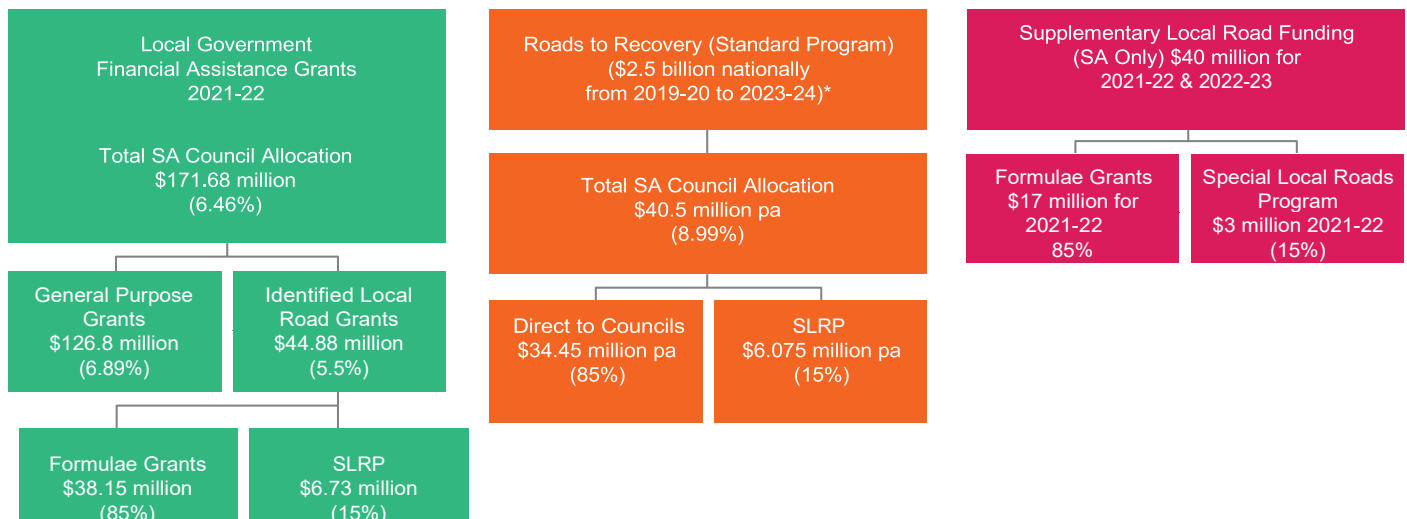
The Supplementary Local Road Funding program is an additional allocation of road funding provided only to South Australia. This funding is provided to address (in part) the inequity that exists in the allocation of local roads funding to South Australia from the FA Grants.

South Australian councils maintain 11.8% of the nation's local road network and receive only 5.5% of the national pool of grant funding.

The Supplementary Local Road Funding was renewed as part of the 2021-22 Federal Budget. The extension of this funding will provide local government with an additional \$40 million over two years from 2021-22 to 2022-23.

Supplementary Local Road funding is distributed to local government in the same manner as the identified local roads grants (i.e., 85 per cent proportionally allocated to formulae grants and 15 per cent to special local road grants).

Summary of Grants for 2021-22: Based on Final Estimates – July 2021



\* Roads to Recovery Allocations for South Australia do not include amounts allocated to DIT.