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Councils applaud stimulus package for local government

The Australian Local Government Association (ALGA) has welcomed the Federal Government's \$500 million economic stimulus fund for councils as an important boost for urban and regional economies battered by Covid-19 restrictions and the Black Summer bushfires.

"Coupled with the Morrison Government's confirmation they will be pulling forward 50 per cent of our major grant stream, this package provides vital support for local economies at their greatest time of need," ALGA president Mayor David O'Loughlin said.

Mayor O'Loughlin said estimates were that GDP in the worst bushfire-affected Local Government Areas would decline by up to 23 per cent this financial year compared to last year – with GDP in tourism-dependent LGAs expected to fall by as much as 15 per cent as a result of coronavirus lockdowns.

"Despite the challenges councils across the country have been facing with falling revenue, and with calls to retain staff associated with forcibly closed facilities, they continue to step up with a range of support and relief measures," he said.

The package comprises a new \$500 million Local Road and Community Infrastructure (LRCI) Program and the prepayment of \$1.3 billion of the 2020-21 Financial Assistance Grant payments.

The money allocated to the LRCI Program is equivalent to a year's funding from the Commonwealth's Roads to Recovery Program, and it will be administered along the lines of that successful program with a similar allocation methodology.

This means that councils in NSW would receive \$139.3 million, Victoria \$101.7 million, Queensland \$101.7 million, Western Australia \$73.1 million, SA \$44.9 million, Tasmania \$16.3 million, ACT \$8 million and the Northern Territory \$14.5 million.

Mayor O'Loughlin applauded the fact that the money is likely to flow almost immediately to all 537 of Australia's local councils.

"Every council has shovel-ready projects and a list of road and building maintenance projects as long as your arm that can be considered for accelerating right away," he said.

"Getting these projects underway will help support thousands of local jobs across the nation and provide long-term benefits to local communities."

Mayor O'Loughlin said Local Government is the perfect partner to stimulate the economy and keep people in jobs.

"It is the level of government closest to our communities, and has partnered successfully with the Commonwealth to deliver programs like Roads to Recovery, Bridges Renewal, Road Safety Blackspots, and drought and bushfire relief for over 20 years.

"They know we can be trusted to get on with the job and make sure every dollar hits the mark.

"We look forward to helping deliver new projects with the Commonwealth that will make our communities and economies more resilient."

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