



The Hon Warren Truss MP

Deputy Prime Minister
Minister for Infrastructure and Regional Development
Leader of The Nationals
Member for Wide Bay

| SHIRE OF YORK | |
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3 June 2014

~~Cr Tony Boyle
President
Shire of York
PO Box 22
YORK WA 6302~~

Dear Mayor

I am writing to inform you of some of the decisions in the 2014 Federal Budget which will affect Local Government.

On coming to office, the new Coalition Government faced a \$47 billion budget deficit for the 2013-14 financial year and \$123 billion of projected deficits to 2016-17. Already Australians are footing a \$1 billion interest bill every month on Labor's debt.

This Budget begins the task of restoring budget integrity for the long-term, making savings in recurrent expenditure so we can invest in the infrastructure necessary to rebuild our national economy.

The Coalition Government's 2014-15 Budget outlined a \$50 billion investment across Australia to deliver vital transport infrastructure for the 21st Century.

The Budget includes many large scale commitments which will trigger more than \$125 billion in infrastructure investment but importantly there is also a significant boost to road funding at the local level.

As a part of this agenda, we have committed \$2.5 billion for the continuation of the Roads to Recovery Programme to support the maintenance and upgrade of local roads. This includes an additional payment of \$350 million to councils during the 2015-16 financial year.

To fix dangerous and accident-prone sections of local roads and streets, \$565 million will be provided through the ongoing Black Spot Programme. This includes an extra \$100 million in both the 2015-16 and 2016-17 financial years.

I am pleased to confirm that the Government's Bridges Renewal Programme will commence in 2014-15. Partnering with local councils and State Governments, this programme will invest \$300 million in Commonwealth funding into the repair and replacement of local bridges. I will be releasing the guidelines for this new programme in the near future and they will be available on the Department of Infrastructure and Regional Development's website <www.infrastructure.gov.au>.

To improve productivity and safety in the heavy vehicle industry the Australian Government has committed to continue the Heavy Vehicle Safety and Productivity Programme with \$200 million available over the next five years for projects such as road enhancements, rest areas and technology trials. Additionally, on top of our major capital commitments to the national highway network, we have allocated \$229 million to a new National Highway Upgrade Programme that will provide funding for improvements to Australia's national highways through works such as shoulder and centreline widening, overtaking lanes and pavement improvements.

In addition to these road and bridge infrastructure programmes, the Budget also confirmed a \$314 million investment in 300 projects in local communities through our Community Development Grants Programme, which is designed to deliver the Coalition's election commitments and some residue projects from the previous Government.

The Government's new \$1 billion National Stronger Regions Fund aims to promote economic development through investment in infrastructure projects at a local level. The programme will help communities with lower than average socioeconomic circumstances and higher than average unemployment by improving local facilities, creating jobs and building needed infrastructure. The programme guidelines will be announced shortly and grants from the programme will commence next year. Funding has also been provided to support a network of regional development advisory committees across the nation.

The Assistant Minister for Infrastructure and Regional Development, the Hon Jamie Briggs MP, and I have recently released *Building Stronger Regional Communities*, a publication outlining the many Budget initiatives that will benefit non-metropolitan and regional communities. We are focused on delivering a strategic plan that generates economic growth and supports thousands of jobs in key regional areas across Australia. This document highlights the considerable measures within the Budget that may be of interest to local governments across the country and is also available on the Department of Infrastructure and Regional Development website.

The Coalition Government understands that this is a tough Budget and we have not hidden from that. All Australians are being asked to play a part in repairing our nation's financial woes, including Local Government.

The Local Government Financial Assistance Grant will not be indexed for three years. However, additional funding for infrastructure investment, along with the Roads to Recovery, Bridges Renewal and Black Spot programmes, is expected to offset the indexation pause.

I trust that this information is of assistance to your Council and I look forward to engaging with councils in Canberra during the Australian Local Government Association's National General Assembly later this month.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Warren Truss', is written in a cursive style.

WARREN TRUSS