

Local Government Fact Sheet 3: Local Roads, Buildings and Land (compiled January 2012)

1. Value of local government roads, buildings and land 2009-10¹

Local Government has \$306 billion of non-financial assets. Over \$4 billion is plant and equipment. The remaining \$302 billion, includes:

\$25.9 billion in buildings (net of depreciation)
\$187.3 billion in local roads and other fixed assets (net of depreciation)
\$88.3 billion in land

2009-10 Value of local government land and fixed infrastructure by state (\$ million)

	NSW	VIC	QLD	SA	WA	TAS	NT	TOTAL
Buildings	8,788	6,506	4,787	2,023	2,677	736	379	25,896
Local roads and other fixed assets	68,245	27,416	65,477	9,867	11,409	4,165	726	187,305
Land	42,228	25,285	11,307	5,651	2,628	828	404	88,331
Total	119,261	59,207	81,571	17,541	16,714	5,729	1,509	301,532

2. Local road length managed by local government in 2007-08²

The length of local road managed by local government is 660 235 kilometres. This is 80% of the nation's roads by length. About 41% of the local roads network is sealed.

3. Amount local government spends on local roads

In 2009-10, local government spent \$6.13 billion (22% of its expenditure) on transport and communications (up 36% over the decade).³ Transport includes some spending on local road transport (buses and ferries).

Jeff Roorda and Associates estimated \$4.14 billion was spent on council managed local roads in 2008-09:⁴

¹ Australian Bureau of Statistics (ABS) Cat 5512.0 Government Finance Statistics 2009-10 issued 20/4/11 - extract from Customised tables prepared for Mervyn Carter, ACELG

² 2007-08 Local Government National Report (LGNR), p. 7

³ ABS Cat 5512.0 Government Finance Statistics 2009-10

⁴ The Local Roads Funding Gap - Study of Local Roads Funding in Australia 1999-2000 to 2019-2020, Australian Local Government Association, Jeff Roorda & Associates, p. 18:
<http://www.alga.com.au/policy/transport/LocalRoadsFunding.pdf> (accessed 4 January 2012).

National Local Road Data System – Local Road Expenditures

State/ Territory	1999 (\$M)	2000 (\$M)	2001 (\$M)	2002 (\$M)	2003 (\$M)	2004 (\$M)	2005 (\$M)	2006 (\$M)	2007 (\$M)	2008 (\$M)	2009 (\$M)
ACT	\$0	\$0	\$0	\$0	\$0	\$0	\$28	\$0	\$0	\$0	\$0
NSW	\$830	\$727	\$831	\$885	\$788	\$922	\$1,067	\$1,115	\$1,227	\$1,261	\$1,351
Qld	\$317	\$414	\$667	\$701	\$522	\$599	\$640	\$711	\$760	\$586	\$988
SA	\$140	\$0	\$0	\$151	\$202	\$206	\$241	\$253	\$280	\$306	\$326
Tas	\$0	\$0	\$0	\$87	\$81	\$85	\$90	\$96	\$103	\$106	\$116
Vic	\$380	\$379	\$471	\$534	\$470	\$422	\$577	\$659	\$718	\$757	\$800
WA	\$302	\$0	\$355	\$401	\$384	\$371	\$391	\$412	\$451	\$499	\$563
NT	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total	\$1,969	\$1,520	\$2,324	\$2,759	\$2,447	\$2,605	\$3,034	\$3,246	\$3,539	\$3,515	\$4,144

Source: ALGA National Local Road Data System 2010.

4. Amount the federal government contributed to local government's spending on local roads⁵

In 2009-10 it was about \$1,096 million or about a quarter of the money spent annually by councils on local roads:

- \$611.8 million in Financial Assistance Grants for local roads
- \$350 million in Roads to Recovery grants
- \$14.8 million in Supplementary funding for South Australian local roads
- plus most of the \$119.5 million spent on the Black Spot program.

5. Gap between what councils spend and what they need to spend to renew their local roads⁶

The gap was \$860 million pa in 2010 (\$788 million pa in 2005). In 2008-09, councils spent 79% of the money they needed to spend to maintain and renew local roads (up from 74% in 2004-05).

6. How to bridge the local road gap

The local road gap of \$860 million pa could be overcome by:

- Councils increasing their revenues by about 3% and spending that on local roads renewal; or
- Councils redirecting 3% of their expenditure to local roads renewal; or
- Councils lifting their efficiency by 3% and spending that on local roads renewal; or
- Councils selling 1% of land a year to fund local roads renewal.

⁵ FAGs-personal communication with Department of Regional Australia, Local Government, Art and Sport 18 July 2011; http://www.regional.gov.au/local/files/StateSummarySA_2011_12.pdf; http://www.nrsc.gov.au/current_projects/files/NRSC8_Black_Spot_Program.pdf; and <http://www.nationbuildingprogram.gov.au/funding/r2r/index.aspx> (accessed 4 Jan 2012)

⁶ The Local Roads Funding Gap op cit, p. 5.