

## **Explanatory Statement**

Issued by authority of the Delegate of the Minister for Infrastructure, Transport, Regional Development and Local Government

*National Land Transport Act 2014*

### **National Land Transport (Roads to Recovery List) Variation Instrument (No. 2) 2025**

#### **Authority**

The *National Land Transport (Roads to Recovery List) Variation Instrument (No. 2) 2025* (the Instrument) is made under subsection 88(2) of the *National Land Transport Act 2014*.

#### **Purpose**

The Instrument varies the *National Land Transport (Roads to Recovery List) Determination 2024* (the Determination). The purpose of the Instrument is to introduce a new funding recipient on account of the de-amalgamation of the former East Arnhem Regional Council into the revised East Arnhem Regional Council and Groote Archipelago Regional Council.

#### **Background**

The *National Land Transport (Roads to Recovery List) Determination 2024* made on 14 May 2024 specifies the Commonwealth funding to be provided under the Roads to Recovery Program for the funding period of 1 July 2024 to 30 June 2029. Details of the recipients and the amounts received under the Roads to Recovery Program are contained in Schedule 1 of the Determination.

#### **Compliance with statutory preconditions**

Under s 88(2) of the *National Land Transport Act 2014*, the Minister may vary the Determination to redirect some or all of a named recipient's funding amount, where one or more persons or bodies takes over responsibility for all or part of a particular area for which the named recipient was responsible.

The former East Arnhem Regional Council and the boundaries of the local government area under its administration was constituted (as East Arnhem Shire) by gazette on 1 July 2008. Provision for funding to the East Arnhem Shire Council under the Roads to Recovery Program has continued in each subsequent funding period since the council was established. This satisfies the requirement under s 88(2)(a) of the *National Land Transport Act 2014*.

The Groote Archipelago Regional Council and the boundaries of the local government area under its administration was constituted on 1 September 2024 by gazette, in which the boundaries of the East Arnhem Region were changed to reflect the removal of the area to be administered by the Groote Archipelago Regional Council. The East Arnhem Regional Council has yet to receive any of its funding allocation under the Roads to Recovery Program (2024-29). This satisfies the requirement under 88(2)(b) of the *National Land Transport Act 2014*.

## **Summary of the *National Land Transport (Roads to Recovery List) Variation Instrument (No. 2) 2025***

The amount in item 1 of the Schedule 1 to the Instrument varies the amount specified in the Determination to reflect the reduced geographical size of the funding recipient on account of the de-amalgamation mentioned above.

Item 2 of Schedule 1 to the Instrument introduces the Groote Archipelago Regional Council as a Roads to Recovery funding recipient and directs some of the funding previously prescribed for the East Arnhem Regional Council to it.

The *National Land Transport (Roads to Recovery List) Variation Instrument (No. 2) 2025* is a legislative instrument for the purposes of the *Legislation Act 2003*, but is exempt from disallowance under s 88(5) of the *National Land Transport Act 2014*.

The variation of amounts payable to funding recipients due to the de-amalgamation of the former East Arnhem Regional Council is an administrative decision and affects the distribution of a fixed amount of funding amongst those recipients. The disallowance of this variation would potentially have undesirable consequences for other funding recipients. As such it is not considered appropriate for disallowance.

The *National Land Transport (Roads to Recovery List) Variation Instrument (No. 2) 2025* commences the day after it is registered.

### **Consultation**

In relation to the *National Land Transport (Roads to Recovery List) Determination 2024*, between January and May 2024, the then Department of Infrastructure, Transport, Regional Development, Communications and the Arts consulted with local government associations, State and Territory Local Government Grants Commissions, and Government departments. Comment was invited by survey, workshop, and email. The department received more than 200 responses to the survey. The majority of responses expressed support for the existing model of funding distribution. Some feedback was provided, considered and subsequently the instrument distributed funding in the same way as the prior funding period, with a positive impact on stakeholders given a universal percentage funding increase.

At the time of its commencement, 551 organisations were identified to be funding recipients. Section 88(2) of the Act contains provisions for the instrument to be varied in instances where an amount of funding prescribed for a person or body is now the responsibility of another person or body, and allows the Minister or Delegate to redirect some or all of the funding to the other person or body.

On 15 March 2025, officials were elected for the newly formed Groote Archipelago Regional Council which took on responsibility for a portion of the former East Arnhem Regional Council; necessitating arrangements to be made to redistribute part of East Arnhem Regional Council's funding allocation to Groote Archipelago Regional Council.

The department consulted the Northern Territory Grants Commission regarding the appropriate redistribution of the Roads to Recovery funding allocation between East Arnhem Regional Council and Groote Archipelago Regional Council. This resulted in the funding redistribution being calculated based on the length of each council's local road network.

On 9 July 2025, the Department of Infrastructure, Transport, Regional Development, Communications, Sport and the Arts met with representatives from the East Arnhem Regional Council and the Groote Archipelago Regional Council to discuss the proposed redistribution of allocation from the former East Arnhem Regional Council, using road length as a determining factor. Both councils expressed support for this method of determining their share of the funding allocation.

No further consultation was held with other funding recipients in the *National Land Transport (Roads to Recovery List) Determination 2024* to discuss the redistribution of allocation resulting from the de-amalgamation of the East Arnhem Regional Council as they were not affected by the change.