

LEGISLATIVE ASSEMBLY OF THE NORTHERN TERRITORY**WRITTEN QUESTION**

Mr Wood

to Minister for Lands and Planning

Land Grants

In the Budget it is reported that the average cost per completed land sale or land grant is going to be \$49,000 –

- (a) Why is it that according to the Government Gazette, the cost to many groups of a Crown land grant is NIL;
- (b) is not the taxpayer losing money by subsidising these grants to the tune of \$49,000 per grant;
- (c) why isn't it a user pays system for these grants; and
- (d) are there any other costs associated with this program of making land grants?

ANSWER

- (a) It is Government policy to grant land at nil cost to community groups and in some instances local government as a contribution to the social well being of the Territory community;
- (b) The grants of land to community groups and to local government for community purpose uses are a taxpayer funded subsidy. A \$600 application fee applies to community groups (but not local government). The output cost is not a nett cost as it does not reflect any revenue effect of the gazetted application fee.
- (c) Imposition of a user pays system would place a significant financial burden on many community service groups and increase the cost of provision of community facilities by local government; and
- (d) The revenue foregone by making a grant (as opposed to sale) of the land is an additional cost to the output cost of processing applications for land grants.