#### ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates 2017 - 2018

#### **Infrastructure and Regional Development**

**Committee Question Number: 24** 

**Departmental Question Number:** SQ17-000190

**Program:** n/a

**Division/Agency:** Infrastructure Investment

**Topic: CityLink Concession Deed** 

**Proof Hansard Page:** 58-59 (22 May 2017)

## **Senator Back, Chris asked:**

**ACTING CHAIR:** Mr Thomann, my questions are somewhat general, but they go to the issues associated with Transurban and the concession deed. Am I right to get underway in this situation, Secretary?

Mr Mrdak: Yes.

**ACTING CHAIR:** Good. As I understand it, the concession deed provides that the state may terminate the deed on prescribed dates prior to the 34½-year anniversary from completion in 2000 if Transurban has achieved a 17½ per cent real after-tax equity return at different anniversaries. Are we with each other at the moment? **Mr Mrdak:** We are not a party to the deed, so I can only give you general advice. Is this in relation to Melbourne CityLink?

**ACTING CHAIR:** It is, but I understand it could also extend beyond CityLink. The questions that I want to ask relate to what base was used to calculate a return and, obviously, what would be the decision-making. If these are questions that you believe are more general in nature, it might be better for me to give them to you on notice, perhaps, for example.

**Mr Mrdak:** If you would not mind, Senator. Then I can seek advice from the Victorian government. The Commonwealth is not a party to that deed.

**ACTING CHAIR:** It is not? **Mr Mrdak:** No, it is not.

ACTING CHAIR: In that case, I will cease these questions and put them on notice. You might be able to assist

us where you can.

Mr Mrdak: Certainly. I will seek advice from the Victorian government.

#### **Answer:**

The Australian Government is not a party to the Agreement for the Melbourne City Link. Such queries would need to be directed to VicRoads. Further information and contacts on the Melbourne City Link can be found on www.vicroads.gov.au.

# ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates 2017 - 2018

## **Infrastructure and Regional Development**

**Committee Question Number: 25** 

**Departmental Question Number:** SQ17-000191

Program: n/a

**Division/Agency:** Infrastructure Investment **Topic: Mount Isa to Tennant Creek Rail Line** 

**Proof Hansard Page:** 60 (22 May 2017)

# Senator Roberts, Malcolm asked:

Senator ROBERTS: What would be the cost? It would be roughly comparable with the Gold Coast tram and

the Canberra tram, wouldn't it? But we would get a much longer railway line.

Mr Collett: I would have to take that on notice. I do not have a figure for the costs at the moment.

## **Answer:**

A Mount Isa to Tennant Creek rail link is expected to cost approximately \$3 billion.

## ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates 2017 - 2018

## **Infrastructure and Regional Development**

**Committee Question Number: 26** 

**Departmental Question Number:** SQ17-000192

**Program:** 1.1 Infrastructure Investment **Division/Agency:** Infrastructure Investment

Topic: Breakdown of investment in transport 2017-18 to 2026-27

**Proof Hansard Page:** 65 (22 May 2017)

# Senator Gallacher, Alex asked:

**Senator GALLACHER:** Can I put this question to you on notice: can you tell me the detail of the complete spend in the fiscal years from the start of this proposal to 2026? I would like the information you have on commitments and spending, on notice. You have given us some global figures.

Mr Mrdak: Yes.

**Senator GALLACHER:** Then I would like to understand the rationale of how you get a piece of that action. If there are X number of dollars allocated in the forward planning for infrastructure for rail or whatever, how does a state or territory actually get in and get a proposal up?

**Mr Mrdak:** We will give you a breakdown on notice of the profile as per category out to 2026-27, and also the categories of expenditure against those.

#### **Answer:**

Funding under the Infrastructure Investment Program is profiled through Budget to the end of the Forward Estimates. Funding beyond the Forward Estimates is determined as commitments are made and project milestones are agreed with the relevant state and territory government. The updated commitments are included for each new year of the Forward Estimates at Budget.

Australian Government funding through to 2026-27, including details where commitments are in place for transport infrastructure, is set out in Table 1 at <u>Attachment A</u>.

State and territory governments are able to bring forward proposals for Commonwealth funding under the Infrastructure Investment Program to the Minister for Infrastructure and Transport, including proposals for funding under the National Rail Program. Where \$100 million or greater is being sought from the Commonwealth, jurisdictions should also submit proposals to Infrastructure Australia for its independent assessment of the projects costs and benefits. Projects will also be considered by the Infrastructure and Projects Financing Agency to identify opportunities for innovative funding and financing structures. The Australian Government will shortly release guidelines to assist in development of future submissions for consideration under the National Rail Program.

#### **Attachments**

• Attachment A – Allocations to Transport Infrastructure Investment

# ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates 2017 - 2018

# **Infrastructure and Regional Development**

# **Attachment A - Table 1: Allocations to Transport Infrastructure Investment**

Infrastructure Funding Element (note 1)	2017-18	2018-19	2019-20	2020-21	Equity Injections - 17-18 to 20-21	2021-22 to 2026-27	Equity Injections - 21-22 to 26-27	Total: 2017-18 to 2026-27	Notes
Administered Grant Funding under the Infrastructure Investment Program (IIP)									
Funding committed to specific major projects and for annual road maintenance grants	6,209	5,225	4,205	2,972		3,527		22,138	2
Funding for Infrastructure Investment Program Sub-Programs	935	595	640	560		3,360		6,090	3
Funding for the National Rail Program			200	400		9,400		10,000	4
Funding unallocated to specific projects or programs			3	209		13,797		14,009	4
Funding under the Finance Assistance Grants (untied local roads component)	384	775	792	797		4,780		7,528	5
Funding held in Contingency Reserve for Victorian Infrastructure		201	111	149				461	
Sub-total – Administered Grant Funding under the IIP NR: table continues overleaf	7,528	6,796	5,951	5,087		34,864		60,225	

NB: table continues overleaf

# ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates 2017 - 2018

# **Infrastructure and Regional Development**

Infrastructure Funding Element (note 1)	2017-18	2018-19	2019-20	2020-21	Equity Injections - 17-18 to 20-21	2021-22 to 2026-27	Equity Injections - 21-22 to 26-27	Total: 2017-18 to 2026-27	Notes
Support for transport infrastructure through equity and financial instruments (see note 6)									
Equity investments in land transport projects, including to ARTC, Moorebank Intermodal Company and for Oakajee Port works					6,634		3,149	9,783	6
WestConnex Concessional Loan	722	576	85					1,383	
Equity investment in Western Sydney Airport					*		*	5,300	6
Sub-Total – Equity and financial instruments	722*	576*	85*	*	6,634*	*	3,149*	16,466	7
Administered Grant Funding for programs outside the Infrastructure Investment Program									
Asset Recycling Initiative	917	388						1,305	
Interstate Road Transport transfers	71	71	71	71		426		710	8
Other minor infrastructure programs and commitments	10	10	2					22	
Sub-Total – Administered Grant Funding outside the IIP	998	469	73	71		426		2,036	
Total	9,248	7,841	6,109	5,158	6,634	35,290	3,149	78,727	

#### ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates 2017 - 2018

# **Infrastructure and Regional Development**

#### Sources and notes:

- 1. Except where noted below, profiles for land transport grant funding is available in Table 2.9, Budget Paper 3, Page 46.
- 2. Funding for specific projects under the Infrastructure Investment Program (IIP) includes funding under the following allocations: Road projects; Rail projects; New Investments allocation; Western Sydney Infrastructure Plan; the Developing Northern Australia allocations; funding for road maintenance works on the national network; and funding for research and development works to support major project investments. Note that this line also includes small allocations for non-state entities, which is not detailed in the Budget Papers, including funding for grant-funded Australian Rail Track Corporation projects.
- 3. Funding for IIP sub-programs includes funded under the: Black Spot Program; Bridges Renewal Program; Heavy Vehicle Safety and Productivity Program; and Roads to Recovery Program.
- 4. In the 2017 Budget, the Government committed funding to the IIP from 2019-20 onwards for the National Rail Program and to support other future priority projects. This funding is not yet allocated to specific projects.
- 5. The Financial Assistance Grants are provided to local government and are detailed in Budget Paper 3, Table 2.12, page 65. This line includes the Local Road Component of the Financial Assistance Grants, including the additional injection of \$40 million over two years for South Australia announced through Budget.
- 6. The Government's equity injections into major projects cannot be profiled due to commercial sensitivities.
- 7. This line does not include equity injections in the year-by-year profiles.
- 8. Under the Interstate Road Transport transfers, the Australian Government collects certain heavy vehicle charges and distributes them to jurisdictions on a formula basis.

#### ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates 2017 - 2018

#### **Infrastructure and Regional Development**

**Committee Question Number: 27** 

**Departmental Question Number:** SQ17-000193

Program: 1.1 Infrastructure Investment Division/Agency: Infrastructure Investment Topic: Engagement of Allens-Linklaters Proof Hansard Page: 67-68 (22 May 2017)

## Senator Rhiannon, Lee asked:

Senator RHIANNON: You have a lot of experience in doing that, and that is why I was wondering that, considering Allens-Linklaters, the company selected to provide advice on the terms of the \$2 billion loan, promoted the deal as 'a new model for public-private partnerships in Australia' and as one that would 'support private sector debt co-funding and provide a platform for future private sector equity investment'. It sounds like the \$2 billion of public funds were being used to entice private lenders into funding the construction of a WestConnex, as it had been difficult for the government to raise finance the project. To start, do we all agree that the government knew they were going to have trouble raising finance for the project? Then we can go back to why Allens-Linklaters, considering they were so involved with this project and then you get them in to apparently give independent advice.

. . .

**Senator RHIANNON:** I am particularly keen to understand why that company was chosen, considering it was just so involved with the project. That is what has always seemed extraordinary about this.

**Mr Thomann:** I might defer to Mr Pittar to go through the details, if we have them with us. Otherwise we will need to take it on notice.

**Mr Pittar:** Thank you, Mr Thomann. As I think Mr Thomann said earlier, we have a panel of providers, and we draw on the panel of providers depending on the expertise that we need from the private sector. That can go to issues around financing, issues around legal aspects and issues around engineering and technical aspects. I do not have the details as to specifically why that firm was chosen compared to other panel providers that we may have had on our panel of providers at the time, so we may need to take that on notice.

#### Answer:

Allens-Linklaters was engaged from the Legal Services Multi-Use List to supply legal services as part of the Department's broader due diligence of the Australian Government's provision of a \$2 billion concessional loan for Stage 2 of the WestConnex Project.

This was a distinctly separate engagement from the advice provided to the WestConnex Delivery Authority (the predecessor of the Sydney Motorway Corporation) on the awarding of the design and construction contract for the Stage 1. The Department was made aware of Allens Linklaters' role in relation to Stage 1 of the WestConnex project.

The Department followed all applicable procurement rules, including probity requirements, in its engagement of Allens Linklaters.

#### ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates 2017 - 2018

# **Infrastructure and Regional Development**

**Committee Question Number: 28** 

**Departmental Question Number: SQ17-000194** 

**Program:** 1.1 Infrastructure Investment **Division/Agency:** Infrastructure Investment

**Topic: Engagement of AECOM** 

**Proof Hansard Page:** 68 (22 May 2017)

## Senator Rhiannon, Lee asked:

**Senator RHIANNON:** Let us move on to AECOM. They were brought in to assess the financial risk for the proposed loan, I understand. That is correct?

Mr Pittar: I would need to check. I would have thought AECOM—

**Senator RHIANNON:** I thought they were your choice. I thought you were the ones who chose AECOM. **Mr Pittar:** Again, it is a couple of years ago now. I would need to check on those details. But there is absolutely nothing unusual with us selecting providers based on their technical expertise. Companies are also able to structure arrangements around any potential conflicts of interest that they may be perceived to have, if they are advising on other parts of the equation. But that would certainly be something that we would be very keen to avoid in engaging a company where there may be perceived conflicts of interest.

. . .

**Mr Thomann:** We could come back, on notice, on the exact nature of the advice that we sought from each firm and the process we went through to engage each firm.

**Senator RHIANNON:** I would appreciate if you could take it on notice.

#### **Answer:**

AECOM was engaged from the Department's Infrastructure Advisory Services panel to perform a specific role as part of the Department's broader due diligence processes for the WestConnex project. AECOM's involvement was to provide project cost estimate review services.

The Department followed all applicable procurement rules, including probity requirements, in its engagement of AECOM.

#### ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates 2017 - 2018

#### **Infrastructure and Regional Development**

**Committee Question Number: 29** 

**Departmental Question Number:** SQ17-000195

**Program:** Infrastructure Investment

**Division/Agency:** Infrastructure Investment

**Topic: Allegations about Leighton Proof Hansard Page:** 69 (22 May 2017)

## Senator Rhiannon, Lee asked:

**Senator RHIANNON:** Mr Mrdak, I have only got a couple of minutes. Coming back to some of the issues about the companies that are involved, are you aware that Leighton, a major contractor with WestConnex, is still under investigation at a domestic and international level for bribery, and that these investigations have been ongoing for four years since 2013?

Mr Mrdak: I am aware of the allegations—yes.

**Senator RHIANNON:** How do you handle that when you have a major project? You are making a decision to take on a company to basically run and deliver that project, and there is this major investigation that could prove very serious. How do you balance that out? How do you work out your decision making?

**Mr Mrdak:** When we engage consultants, we do look at—Leighton is obviously a multinational Australian company—the probity issues involved. As you say, they are allegations. We are aware of them. The company makes us aware of those issues. At the end of the day, when we select contractors, we select on a whole range of criteria. If they are allegations, we treat the process as ongoing.

**Senator RHIANNON:** When you say that Leighton made you aware of it, do they just say, 'We're being investigated,' or do they actually tell you the details of what it is and put their case, and you make a judgement on that?

**Mr Mrdak:** I would have to seek some advice on what occurred in this particular circumstance, as to what was made available to us or what was made known to us by other parties. I will take on notice the extent of the knowledge at the time we appointed them.

# Answer:

The Department has no record of being contacted by Leighton Holdings in regard to these allegations.

The Department has had no contractual relationship with Leighton Holdings, therefore the company had no responsibility to inform the Department of the allegations.

ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates 2017 - 2018

#### **Infrastructure and Regional Development**

**Committee Question Number: 30** 

**Departmental Ouestion Number:** SO17-000199

Program: 1.1 Infrastructure Investment Division/Agency: Infrastructure Investment Topic: Cradle Mountain Master Plan Proof Hansard Page: 71-72 (22 May 2017)

## **Senator Urquhart, Anne asked:**

**Senator URQUHART:** Okay. I go to Cradle Mountain Master Plan funding. I noted that the Turnbull government committed \$1 million for a feasibility study of the Cradle Mountain Master Plan in the 2016 federal election campaign. Has that feasibility study been completed by the government?

Mr Mrdak: I will ask Ms Wall, who heads up our regional programs area, to see if she can assist.

Ms Wall: To my understanding, I am not aware that it has been completed yet.

Senator URQUHART: So it has not started the feasibility study. Okay. Can you detail why the feasibility

study was required when Deloitte Access Economics had already conducted that analysis?

Ms Wall: I will have to take that on notice.

**Senator URQUHART:** Has the Tasmanian government made any representations to the Commonwealth about contributing to the costs of this project?

Ms Wall: Not to my knowledge.

**Senator URQUHART:** So you are not aware of anything? Mr Mrdak: No. I could take it on notice for you if you like.

Senator URQUHART: Okay. Has any other authority or organisation made any kind of representation to the

Commonwealth for funding of this project?

Ms Wall: Not to my knowledge, but I will take it on notice for you.

#### **Answer:**

The answer was provided on 22 May 2017 (page 86 of Hansard).

**Senator CAROL BROWN:** Senator Urquhart was in here earlier, asking about the feasibility study on the Cradle Mountain master plan. I think Ms Wall responded that you were not aware that it had been completed? **Ms Wall:** Since I was last at table, my department has informed me that the Department of Foreign Affairs and Trade is looking after that project.

Senator CAROL BROWN: Under tourism?

Ms Wall: Tourism.

Senator CAROL BROWN: That is probably why you were not aware, then. I will ask in Tourism, then.

#### ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates 2017 - 2018

#### **Infrastructure and Regional Development**

**Committee Question Number: 31** 

**Departmental Question Number:** SQ17-000200

**Program:** 1.1 Infrastructure Investment **Division/Agency:** Infrastructure Investment

Topic: Murchison Highway Road Improvements Stage 4

**Proof Hansard Page:** 72 (22 May 2017)

# **Senator Urquhart, Anne asked:**

**Senator URQUHART:** This is about infrastructure in general and particularly about roads and other areas. Can you confirm if the Liberal election commitment for \$3.5 million to widen and install truck pullover bays on the Murchison Highway in Tasmania is funded in the 2016-17 and/or 2017-18 budgets?

Ms Leeming: Do you happen to know what program that sits under?

Senator URQUHART: No, I do not.

**Mr Mrdak:** If they are election commitments, they will be funded. I will get the details of which financial year has the funding provided and come back to you.

**Senator URQUHART:** The other things I wanted to know are the exact Commonwealth contribution and the exact Tasmanian government contribution for that. I understand that it was to be completed by May 2018 as stated in the minister's November 2016 media release, so do you expect it still to be completed by May 2018? **Mr Mrdak:** We will get that detail for you.

#### **Answer:**

Funding was provided in the 2016-17 and 2017-18 Federal Budgets for this project under Round Five of the Heavy Vehicle Safety and Productivity Programme.

The Australian and Tasmanian governments are each contributing \$3.492 million to this project. Construction commenced on 8 November 2016 and is on schedule to be completed in mid-2018.

## ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates 2017 - 2018

#### **Infrastructure and Regional Development**

**Committee Question Number: 32** 

**Departmental Question Number:** SQ17-000202

**Program:** 1.1 Infrastructure Investment **Division/Agency:** Infrastructure Investment

Topic: Upgrade of the Bass Highway between Marrawah and Wynyard

**Proof Hansard Page:** 72 (22 May 2017)

# Senator Urquhart, Anne asked:

**Senator URQUHART:** Has the Tasmanian government made any representations to the Commonwealth about contributing to the costs of the upgrade of the Bass Highway between Marrawah and Wynyard, excluding the existing contributions for the Wynyard intersections? They were announced during the election campaign and funded in this year's budget, but this is separate from that.

Ms Leeming: They may have at a line area level, but I am not aware of any formal approach.

**Senator URQUHART:** Can you take that on notice?

Ms Leeming: Sure.

#### **Answer:**

# ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates 2017 - 2018

#### **Infrastructure and Regional Development**

**Committee Question Number: 33** 

**Departmental Question Number:** SQ17-000203

**Program:** 1.1 Infrastructure Investment **Division/Agency:** Infrastructure Investment

Topic: Shared Pathways between Wynyard and Latrobe

**Proof Hansard Page:** 72 (22 May 2017)

# Senator Urquhart, Anne asked:

**Senator URQUHART:** Has the Tasmanian government made any representations to the Commonwealth about contributing to the costs of the development of shared pathways between Wynyard and Latrobe? **Ms Leeming:** I think it is probably safer to take that one on notice too.

#### **Answer:**

## ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates 2017 - 2018

#### **Infrastructure and Regional Development**

**Committee Question Number: 34** 

**Departmental Question Number:** SQ17-000204

**Program:** Infrastructure Investment

**Division/Agency:** Infrastructure Investment

Topic: Bass Highway - Westbury Road Intersection Upgrade

**Proof Hansard Page:** 72 (22 May 2017)

# **Senator Urquhart, Anne asked:**

**Senator URQUHART:** Has the Tasmanian government made any representations to the Commonwealth about reallocating surplus funds from a roads project at Westbury to a roads upgrade project for the Bass Highway east of Latrobe?

Ms Leeming: Not that I am aware, but let's take that one on notice.

#### **Answer:**

# ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates 2017 - 2018

#### **Infrastructure and Regional Development**

**Committee Question Number: 35** 

**Departmental Question Number:** SQ17-000205

**Program:** 1.1 Infrastructure Investment **Division/Agency:** Infrastructure Investment

Topic: Tasmanian Black Spot Projects for 2016-17

**Proof Hansard Page:** 72-73 (22 May 2017)

## **Senator Urquhart, Anne asked:**

**Senator URQUHART:** On 6 June 2016 the Minister for Infrastructure and Transport, Mr Chester, was joined by the then members for Braddon and Lyons, Mr Whiteley and Mr Hutchinson, for a road funding announcement regarding Braddon and Lyons roads. Can you confirm whether those election commitment amounts were for \$195,000 for a roundabout at the intersection of Ronald and Madden streets in Devonport and \$70,000 for the intersection of Formby Road and Best Street in Devonport in the 2017-18 budget?

**Mr Mrdak:** I do not think we have got details on those projects with us. I think it is probably best if I can take those on notice and come back to you quickly.

**Senator URQUHART**: Okay. If you could come back quickly, that would be appreciated. I have got a number of others. I will run through them but do not know whether you will have them there. There were election commitments for \$95,000 for the intersection of Tarleton Street and Thomas Street in East Devonport and \$95,000 for the intersection of Tarleton Street and Wright Street in East Devonport.

Mr Mrdak: Again, I do not have them on my list of projects with us.

**Senator URQUHART:** Does the fact that you do not have them on your list mean that they were not funded in the budget or just that you do not have them?

Mr Mrdak: I may just not have the details with officers today. I will take those on notice.

Mr Mrdak: Again, I do not have them on my list of projects with us.

**Senator URQUHART:** Does the fact that you do not have them on your list mean that they were not funded in the budget or just that you do not have them?

Mr Mrdak: I may just not have the details with officers today. I will take those on notice.

**Senator URQUHART:** All right. The next one is \$49,250 to remodel the junction of Mengha Road and Spion Kop Road in south Forest and \$32,500 to improve the intersection of Preolenna Road, Pages Road and Lapoinya Road near Moorleah.

Mr Thomann: Are these Tasmanian government commitments that were jointly announced?

**Senator URQUHART:** No.

**Mr Thomann:** These are 2016 Commonwealth election commitments?

**Senator URQUHART:** Mr Chester, Mr Whiteley and Mr Hutchinson I am sure would not be standing out there for state government announcements.

**Mr Thomann:** Given the amounts of money you were just talking about, these could be parts of election commitments that were made, so I think we are going to have to go away and seek advice, because we are not recognising the specifics of the \$100,000 here and the \$50,000 there within the commitments made in the election that are sort of in the millions—small millions but in the millions—in the numbers we have got here. We might need to come back and work out where they fit.

**Senator URQUHART:** That is fine. I will just go through them. But they were election commitments, and I am asking if they are funded in the 2017-18 budget.

**Ms Leeming:** My advice thanks to a text message is that these are blackspot projects. That is why we were struggling a little bit. We do not usually have that granularity of detail about individual blackspot projects, because there are so many of them. And they are not actual election commitments, but they were announced during that period and have been funded.

**Senator URQUHART:** They have been funded. Okay.

**Mr Mrdak:** They have been funded and they are in the forward estimates.

**Ms Leeming:** It might be good if we could just take them all as one question on notice and give you the list of all the blackspot projects that have been funded.

**Senator URQUHART:** Do you want me to go through the others? I have three more.

#### ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates 2017 - 2018

#### **Infrastructure and Regional Development**

Ms Leeming: Sure.

**Senator URQUHART:** There was \$155,000 for curve improvements at the intersection of Railton Road and Dunorlan Road at Moltema, \$45,000 to improve a section of West Kentish Road and \$25,000 for Nowhere Else Road. I am not aware that these are blackspots, so, if they are—

**ACTING CHAIR:** What was it called—Nowhere Else Road?

**Senator URQUHART:** Yes. It is on the way to Paradise and a couple of other places in Tassie. We have some wonderful place names.

**Mr Mrdak:** Now that we have ascertained they are part of the blackspots program, we can confirm they are funded and we will get you the detail of where they are at.

**Senator URQUHART:** I would be really surprised if a road in Nowhere Else was a black spot, but I am happy to be corrected. The other one was \$50,000 to the improve Parkers Ford Road between Panatana Rivulet and St Louis Drive at Port Sorell, and \$10,000 to improve the intersection of Charles Street and Milldam Road at Squeaking Point.

**Mr Thomann:** We will take those on notice and we will come back to you with that list and a status update on where each of those commitments is up to.

#### **Answer:**

The list of Tasmanian Black Spot projects for 2016-17 and the current status of each project was provided to the Committee on 22 May 2017 (Hansard Page 100).

#### ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates 2017 - 2018

#### **Infrastructure and Regional Development**

**Committee Question Number: 36** 

**Departmental Question Number: SQ17-000206** 

**Program:** 1.1 Infrastructure Investment **Division/Agency:** Infrastructure Investment

Topic: Charles Street and Milldam Road Black Spot Project

**Proof Hansard Page:** 73-74 (22 May 2017)

## **Senator Urquhart, Anne asked:**

**Senator URQUHART:** Is the department aware of the address of the former member for Braddon, Mr Brett Whiteley?

Mr Thomann: No, Senator, I am not aware of his address.

**Senator URQUHART:** I understand that Mr Whiteley lives on Charles Street, Squeaking Point. Can you outline whether there are any probity issues with Mr Whiteley participating in the joint announcement with the minister and be then member for Lyons?

Mr Mrdak: I would have to take that on notice.

**Ms Leeming:** I think it is important to note that, if it is a black spot project, they are chosen by panels. Mr Whiteley would probably not have been part of that decision-making process.

Senator URQUHART: I would be interested in further advice in relation to whether or not that is a black spot

and who was on the panel. **Mr Mrdak:** Certainly.

#### **Answer:**

The Tasmanian Black Spot Consultative Panel is made up of representatives from the Local Government Association of Tasmania, the Royal Automobile Club of Tasmania, the Tasmanian Transport Association, the Tasmanian Motorcycle Council, the Tasmanian Bicycle Network, the Tasmanian Police and the Department of State Growth. At the time of the March 2016 meeting, the then Member for Lyons, Mr Eric Hutchinson MP, was Panel Chair.

Mr Whiteley was not present at the meeting.

ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates 2017 - 2018

#### **Infrastructure and Regional Development**

**Committee Question Number: 37** 

**Departmental Question Number: SQ17-000207** 

**Program:** Northern Australia Roads programmes **Division/Agency:** Infrastructure Investment

Topic: Works to be delivered in the Northern Territory

**Proof Hansard Page:** 76 (22 May 2017)

# Senator McCarthy, Malarndirri asked:

**Senator McCARTHY:** With the Northern Territory roads, are those upgrades to just lift some of the causeways or are they the sealing of the roads? What kind of upgrades?

**Ms Garbin:** The majority of those projects are sealing except for the Adelaide River floodplain project, which is to provide all weather access or improve access.

**Senator McCARTHY:** Can you tell me the total seal in kilometres?

Ms Garbin: I will have to take that on notice.

**Senator McCARTHY:** I would like the total in kilometres of these roads—how much is being sealed and the cost. Is that the same with the beef roads? Again, are they just improving causeways or actual sealing?

Ms Garbin: The majority will be sealing projects.

Senator McCARTHY: If you could provide the same detail as well in terms of just how many kilometres in

sealing and the cost.

Ms Garbin: Yes, we can do that.

#### Answer:

Approximately 175 kilometres of road will be sealed in the Northern Territory by projects delivered under both the \$600 million Northern Australia Roads Programme and the \$100 million Northern Australia Beef Roads Programme for a total project cost of over \$240 million.

## ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates 2017 - 2018

## **Infrastructure and Regional Development**

**Committee Question Number: 38** 

**Departmental Question Number: SQ17-000208** 

**Program:** Northern Australia Roads programmes

**Division/Agency:** Infrastructure Investment **Topic:** Local and Indigenous employment **Proof Hansard Page:** 77 (22 May 2017)

# Senator McCarthy, Malarndirri asked:

**Senator McCARTHY:** How much are you aware of local employment within your roads programs? **Mr Thomann:** Local employment, especially Indigenous employment and supply use, is very much uppermost in our minds. We have been discussing with our state colleagues. Certainly, for the Northern Australia Roads and Beef Roads programs, we are finalising the framework to ensure local employment is part of the structure of contracting.

**Senator McCARTHY:** Are you able to give me statistics on the Indigenous employees you have had on all these projects?

**Mr Thomann:** We would be relying on the Northern Territory government—but we could certainly ask them—for those statistics.

Senator McCARTHY: That would be great, if you could.

#### **Answer:**

The Department continues to engage with the Department of the Prime Minister and Cabinet and the Northern Territory Government to finalise the new framework that will determine the Indigenous employment and supplier-use targets that will be applied to projects under the Northern Australia Roads programmes. It is expected that targets will be set on a project-by-project basis, and achievement against the targets will be publicly reported on in agreement with the Northern Territory Government.

ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates 2017 - 2018

#### **Infrastructure and Regional Development**

**Committee Question Number: 39** 

**Departmental Question Number:** SQ17-000209

**Program:** Infrastructure Investment

**Division/Agency:** Infrastructure Investment **Topic: Diamond Interchange - Queensland Proof Hansard Page:** 83 (22 May 2017)

## Senator Back, Chris asked:

**ACTING CHAIR:** I will not require you to give me all those. The Caloundra to Sunshine Motorway is Australia's first diamond interchange. What is a diamond interchange?

Ms Garbin: I am not quite sure if I can explain this properly, but it is the first in Australia. It takes up less footprint, in terms of the interchange. That is being done at the Caloundra interchange as part of the Caloundra to Sunshine Motorway project. It is where traffic weaves through, the two lanes of traffic weave through, but you are not interacting as much. It is meant to be a lot safer and a free-flowing interchange over the Bruce Highway.

Senator STERLE: It is not a criminal offence if you really cannot tell us, because we have no idea.

Mr Mrdak: We can put on notice, table for you, a diagram—

Ms Garbin: There is a link. We can—

**ACTING CHAIR:** Queenslanders are not trying to repeat that Woolloongabba Fiveways of the sixties, which

had five roads, three tramlines and a train going through the middle of it, are they?

Ms Garbin: No.

#### **Answer:**

The Bruce Highway – Caloundra to Sunshine Motorway project includes a Diverging Diamond Interchange (DDI) at the Caloundra Road Interchange. The DDI is safer, provides greater capacity, and requires a smaller project footprint than conventional interchanges. A diagram of the Caloundra Road DDI is at Attachment A.

Motorists continuing on the Bruce Highway will be able to traverse the interchange unhindered. Motorists on Caloundra Road will be able to seamlessly cross-over from driving on the left side of the road carriageway to the right side of the road carriageway as they negotiate the signalised interchange before switching back to standard left side driving at the other side of the interchange, in order to cross, or join onto the Bruce Highway.

A major advantage of a Diverging Diamond Interchange is that it allows right-turning traffic and through traffic to move through the interchange simultaneously, easing congestion and significantly reducing delays. This is largely due to two key features:

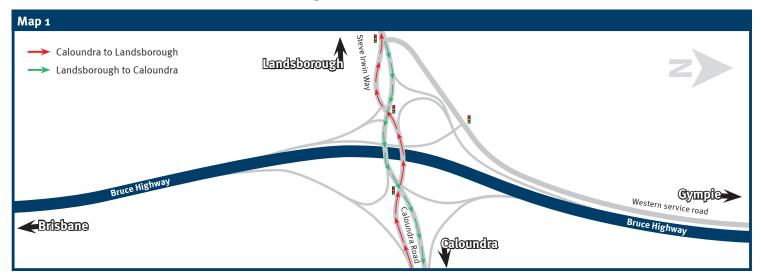
- The unique signalised intersections at each side of the interchange, which when synchronised, result in significantly improved traffic flows; and
- The crossing over of through traffic eliminates the need for right-turning traffic to negotiate a second set of traffic signals.

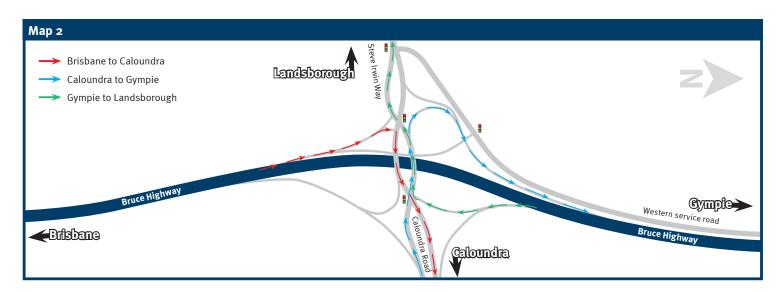
#### Attachments

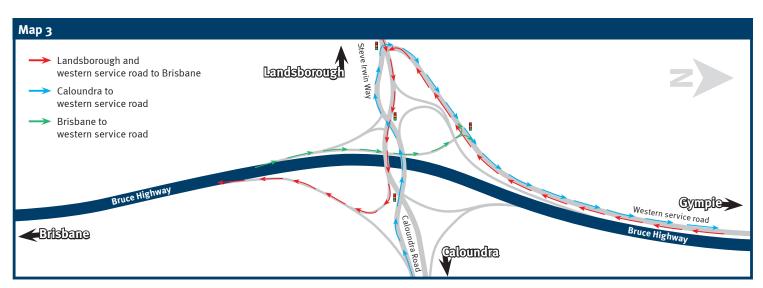
Attachment A – Caloundra Road DDI design.

# **Bruce Highway Upgrade - Caloundra Road to Sunshine Motorway**

# How the Caloundra Road interchange will work











#### ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates 2017 - 2018

#### **Infrastructure and Regional Development**

**Committee Question Number: 40** 

**Departmental Question Number:** SQ17-000210

Program: n/a

**Division/Agency:** Infrastructure Investment

**Topic: Northern Australia Infrastructure Facility** 

**Proof Hansard Page:** 84-85 (22 May 2017)

# Senator McCarthy, Malarndirri asked:

**Senator McCARTHY:** Can I just take you to the \$5 billion concessional loan facility for north Australia. What NT projects are earmarked under that?

**Mr Mrdak:** I am sorry. I do not think we have any details of that. We do not administer that program. It is with the northern Australia portfolio in the industry portfolio, so I cannot give you any details on which projects are being considered in that.

Senator McCARTHY: Minister, do you want to elaborate on that?

Senator Nash: Certainly. I was just going to ask if you would like us to take that on notice for you?

**Senator McCARTHY:** That would be great.

**Senator Nash:** I ask that because that is not the information that fits within this department. But I was actually going to raise that before as one of the other things we are doing for the north through the NAIF. I am very happy to do that for you, and I am trying to get that other information for you before the end of the day too. **Senator McCARTHY:** I am interested to know just how much of that will be earmarked for Northern Territory

projects. What will those Northern Territory projects be or what are they?

Senator Nash: All right.

#### **Answer:**

The Northern Australia Infrastructure Facility is a matter for the Industry, Innovation and Science portfolio. Funding will be provided on a project by project basis and not allocated to a state or territory. Further information is available at <a href="www.industry.gov.au">www.industry.gov.au</a> or by contacting <a href="mailto:naif@industry.gov.au">naif@industry.gov.au</a>.

#### ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates 2017 - 2018

#### **Infrastructure and Regional Development**

Committee Question Number: 41

**Departmental Question Number:** SQ17-000211

**Program:** 1.1 Infrastructure Investment **Division/Agency:** Infrastructure Investment

**Topic: Midland Highway Upgrade Proof Hansard Page:** 86 (22 May 2017)

## Senator Bushby, David asked:

Senator BUSHBY: How many kilometres will be rebuilt as part of the entire project? Do you have those

figures?

Mr Collett: Across the entire Midlands?

**Senator BUSHBY:** Yes. How much of this particular \$400 million program? Obviously, there is about 200 kilometres from Launceston to Hobart, but there are towns you are not doing, there are other bits you are not doing. I am just wondering how much of that 200 kilometres will actually be rebuilt as part of this, and then how much we have done so far? You can take that on notice.

Mr Thomann: We will have to take that on notice. My map shows a line all the way up the Midland Highway.

#### Answer:

The Tasmanian Department of State Growth report they will rebuild and upgrade approximately 146 kilometres of the Midland Highway, as part of the \$500 million Midland Highway Upgrade project. Approximately 25 kilometres of upgrades have been completed as of 1 June 2017. The funding commitment for this upgrade project over 10 years is \$400 million from the Australian Government and \$100 million from the Tasmanian Government. Taking into account that sections of road already met the target standard, this will deliver an improved safety standard for the entire length of the Midland Highway.

ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates 2017 - 2018

#### **Infrastructure and Regional Development**

**Committee Ouestion Number: 42** 

**Departmental Question Number:** SQ17-000212

**Program:** 1.1 Infrastructure Investment **Division/Agency:** Infrastructure Investment

**Topic: Unallocated funding in the Infrastructure Investment Program** 

**Proof Hansard Page:** 87-88 (22 May 2017)

# Senator Sterle, Glenn asked:

**Mr Mrdak:** There is no remaining unallocated funding on the Bruce Highway. **Senator STERLE:** What about Queensland overall? Is there anything there?

Mr Mrdak: I will check. I do not know if I have the details state by state, but I can get that for you.

**Mr Thomann:** We will have to take that on notice because with the Bruce Highway a number of projects have come in under budget and as they come in under budget then we do have an unallocated pool for reallocation to even more projects on the Bruce Highway. It is a sort of rolling situation, so it is a point-in-time kind of answer.

Senator STERLE: All right. We will see how we go. If you cannot, you can take it on notice.

**Mr Thomann:** I think we would have to take it on notice. **Senator STERLE:** So we are looking for Queensland overall?

Mr Mrdak: We will check, but I do not think there are any unallocated amounts at this stage.

Mr Thomann: Certainly the recent commitment in the budget allocated substantial funds to those additional

projects that have just been announced.

**Senator STERLE:** What about the Midland Highway?

**Mr Mrdak:** There are no unallocated moneys. **Mr Thomann:** I think it is fully allocated.

Senator STERLE: All right. See what you can find out for us.

Mr Thomann: We can take it on notice and come back to you with a state-by-state breakdown, if you like, of

any unallocated funds in the program of works. **Senator STERLE:** Great. That would be tremendous.

#### **Answer:**

Unallocated funding amounts held for state and territory programs under the Infrastructure Investment Program are identified in the schedules to the *National Partnership Agreement on Land Transport Infrastructure Projects* available at <a href="https://www.investment.infrastructure.gov.au/funding/projects">www.investment.infrastructure.gov.au/funding/projects</a>

ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates 2017 - 2018

#### **Infrastructure and Regional Development**

**Committee Question Number: 43** 

**Departmental Question Number:** SQ17-000213

**Program:** Infrastructure Investment

**Division/Agency:** Infrastructure Investment

**Topic: Oaklands Crossing** 

**Proof Hansard Page:** 89 (22 May 2017)

## Senator McCarthy, Malarndirri asked:

**Senator McCARTHY:** In relation to the Oaklands rail crossing upgrade in South Australia, was any analysis conducted by the department, Mr Mrdak, before the current government committed \$40 million to upgrade Oaklands crossing on 27 June 2016?

**Mr Mrdak:** I think we had considered previous proposals from South Australia. I will check with my officers as to what degree of information we had. I do not think officers here have the information—can I take that on notice?

**Senator McCARTHY:** If you could, please. Do you need me to repeat that?

**Mr Mrdak:** No—I think it was: what analysis was undertaken before the election commitment last year of the \$40 million.

**Senator McCARTHY:** If there was analysis, did the analysis conclude that this project will have a positive cost-benefit? Will it reduce congestion? Will it improve travel times for motorists?

**Mr Mrdak:** I will check the analysis. As I said, I will check the details of what was provided pre the commitment, but my recollection is that there was certainly advice provided to the government in the lead-up to last year's commitment in relation to what we knew from South Australia at that point about the project.

**Mr Thomann:** We are really in the planning phase, and one of the outcomes of the planning phase will be a business case, which will answer those questions. If the investment asked of the Australian government is \$100 million or more, that will need to be assessed by Infrastructure Australia as well. So we are really at the beginning of the process of analysing all those questions you have just raised.

Senator McCARTHY: Okay. Can I just add this, then—because obviously you are leaning towards the 'yes'. Was this analysis conducted before the state government announced a funding solution on 28 July 2016? Mr Mrdak: There was certainly advice provided to the government. I will check how detailed that advice was. Senator McCARTHY: Did the analysis conclude that this project will have a positive cost-benefit? Will it reduce congestion? Will it improve travel times for motorists?

Mr Mrdak: Again, I will take on notice the extent of the analysis that has been able to be undertaken so far.

#### **Answer:**

The Australian Government is working with the South Australian Government to deliver the Oaklands Crossing project.

The Australian Government announced its commitment to the Oaklands Crossing project on 27 June 2016. Significant planning work for this project has been completed to date, including a 2012 Planning Study available at <a href="https://www.infrastructure.sa.gov.au/RR/rail">www.infrastructure.sa.gov.au/RR/rail</a> revitalisation/oaklands crossing.

The existing level crossing imposes traffic delays on Morphett and Diagonal roads due to the operation of boom gates for trains along the Seaford rail corridor, whose operations restrict road traffic movements across the rail line for approximately 25 per cent of peak traffic periods. The project will improve the traffic flow along both Morphett Road and Diagonal Road, improve safety of pedestrians and cyclists.

Initial planning undertaken indicates the project is expected to have a Benefit Cost Ratio of 3.1 (4 per cent discount rate) and 1.6 (7 per cent discount rate).

#### ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates 2017 - 2018

## **Infrastructure and Regional Development**

**Committee Question Number: 44** 

**Departmental Question Number:** SQ17-000214

**Program:** Infrastructure Investment

**Division/Agency:** Infrastructure Investment

**Topic: Oaklands Crossing** 

Proof Hansard Page: 90 (22 May 2017)

# Senator McCarthy, Malarndirri asked:

**Senator McCARTHY:** Is it not the case, though, that the South Australian government has gone through the same approval processes for Oaklands crossing as it went through for the Flinders Link project, which was approved by the government and announced by the Prime Minister during the federal election campaign? **Mr Mrdak:** I do not think we have the same level of information—I will check—in relation to Oaklands at this stage.

**Senator McCARTHY:** So you will take that on notice?

Mr Mrdak: I will take that on notice.

#### **Answer:**

The Australian Government announced its commitment to the Oaklands Crossing project on 27 June 2016.

Prior to this commitment, the South Australian Government had undertaken planning work to determine the optimum solution for the upgrade; however, as part of the process for agreeing funding, more up to date planning work was required. This was provided to the Commonwealth during the course of negotiating a funding agreement.

#### ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates 2017 - 2018

#### **Infrastructure and Regional Development**

**Committee Question Number: 45** 

**Departmental Question Number:** SQ17-000215

**Program:** Infrastructure Investment

**Division/Agency:** Infrastructure Investment **Topic: North South Corridor Adelaide Proof Hansard Page:** 91 (22 May 2017)

## Senator McCarthy, Malarndirri asked:

**Senator McCARTHY:** Can I take you to the North-South Corridor in Adelaide. Is the Commonwealth still committed to former Prime Minister Tony Abbott's promise to turn Adelaide's South Road into a nonstop North-South Corridor by 2023?

**Mr Mrdak:** As I outlined to Senator Sterle this morning, that, in my understanding, remains the government's commitment.

. . .

**Senator McCARTHY:** How does the Commonwealth expect to deliver on this commitment when no new funding for projects along the corridor is in the recent federal budget?

**Mr Thomann:** The Australian government has committed more than \$1.6 billion to projects that are underway in the north-south road corridor.

**Mr Mrdak:** As Mr Thomann indicated, there is a significant amount of work underway on the North-South Corridor now. Future projects will be the subject of further work. We have not received any project proposals or business cases from South Australia for further work on the North-South Corridor beyond those commitments that are already there.

**Senator McCARTHY:** Is this commitment deliverable without an immediate funding commitment from the Commonwealth?

**Mr Mrdak:** Again, in the absence of project proposals from South Australia, I cannot give you an answer to that question. I would need to know from them what they believe is the timetable that would be required to complete the corridor.

Senator McCARTHY: Will you take that question on notice?

Mr Mrdak: Certainly.

#### Answer:

The Australian Government has committed to upgrading the full North South Corridor over the next decade, which includes \$1.6 billion for the first three priority projects: Darlington, Torrens Road to River Torrens, and the Northern Connector.

Considerations for further investments will be made in the context of future Budgets, subject to completion of necessary planning and development works and submission of business cases by South Australian Government, and consideration by Infrastructure Australia of those business cases as required.

#### ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates 2017 - 2018

#### **Infrastructure and Regional Development**

**Committee Question Number: 46** 

**Departmental Question Number:** SQ17-000216

**Program:** n/a

**Division/Agency:** Infrastructure Investment

**Topic: Maldon-Dombarton Line** 

**Proof Hansard Page:** 91-92 (22 May 2017)

## Senator McCarthy, Malarndirri asked:

**Senator McCARTHY:** Okay. Can I take you to the Illawarra, to the Maldon-Dombarton line. Has the minister or the department had any contact with the New South Wales government to progress this rail link?

Mr Mrdak: I will ask Mr Collett to answer that.

**Mr Collett:** With Maldon-Dombarton, Infrastructure Australia, just before the last estimates hearing, considered the business case provided to them by the New South Wales government and recommended against Australian government investment in that project.

. . .

**Senator McCARTHY:** At all. Can the department provide details of any meetings or provide copies of any correspondence around that?

**Mr Collett:** Certainly. As I said, I am not aware of any since that Infrastructure Australia decision, but I will take that on notice and come back to you in terms of other areas of the department that may have had conversations.

**Senator McCARTHY:** Thank you. Is the department aware of any negotiations between the New South Wales government and interested entities to progress the construction of this rail link?

**Mr Collett:** We would need to check that with the New South Wales government. I am not personally aware of any further considerations, but it is an area that I would not necessarily be, either. The New South Wales government would not necessarily flag for us that they were having those conversations, but I am happy to take that on notice and come back to you with some advice.

#### **Answer:**

There has been no contact between the Department and the New South Wales Government to progress the Maldon to Dombarton rail link since Infrastructure Australia completed their assessment of the Maldon to Dombarton business case in February 2017.

The Department is not aware of any negotiations between the New South Wales Government and interested entities to progress the construction of the Maldon to Dombarton rail line.

#### ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates 2017 - 2018

#### **Infrastructure and Regional Development**

**Committee Question Number: 47** 

**Departmental Question Number: SQ17-000217** 

**Program:** n/a

**Division/Agency:** Infrastructure Investment

Topic: Maldon-Dombarton Rail - Funding for the rail link through the Infrastructure

**Investment Program or another program Proof Hansard Page:** 92 (22 May 2017)

## Senator McCarthy, Malarndirri asked:

**Senator McCARTHY:** Great; thank you. Is the department able to advise whether the rail link is going to be funded through the Infrastructure Investment Program or any other program?

**Mr Collett:** That would be a decision for government, in terms of whether they wish to fund the project. As I say, at the moment Infrastructure Australia have advised against doing that, and the government has no commitment to the project at the moment.

**Senator McCARTHY:** I realise you said that in the initial statement; but, we have just had the recent federal budget announcement of a major infrastructure spend, and there are still gaps in how that spending is going to take place. Has the department been in contact with the New South Wales minister's office regarding this rail link?

Mr Collett: Not my area, but I will take it on notice to just check whether other parts of the department may have been.

#### Answer:

The Australian Government has not committed funding to the Maldon-Dombarton rail line.

Refer to Committee question number 46.

#### ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates 2017 - 2018

#### **Infrastructure and Regional Development**

**Committee Question Number: 48** 

**Departmental Question Number:** SQ17-000218

Program: n/a

**Division/Agency:** Infrastructure Investment

Topic: Maldon-Dombarton Rail - Assessment of proposals put forward as part of the

NSW Government's register of interests Proof Hansard Page: 92 (22 May 2017)

## Senator McCarthy, Malarndirri asked:

**Senator McCARTHY:** Has the department or Infrastructure Australia been involved in assessing or evaluating any proposals that were put forward as part of the New South Wales government's register of interests processed during 2015?

**Mr Collett:** I am fairly certain that the department and Infrastructure Australia were not involved. But that was an assessment by New South Wales officials, who then provided advice to their government. But I will check that on notice and come back to you.

#### **Answer:**

#### ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates 2017 - 2018

#### **Infrastructure and Regional Development**

**Committee Question Number: 49** 

**Departmental Question Number:** SQ17-000219

**Program:** Infrastructure Investment

**Division/Agency:** Infrastructure Investment **Topic: Bruce Highway Road Safety Statistics Proof Hansard Page:** 93-94 (22 May 2017)

## Senator Gallacher, Alex asked:

**Senator GALLACHER:** In relation to that much-needed expenditure, what will that \$552 million be spent on precisely? You have a very successful road separation program that has saved lives and prevented injuries and accidents. Tell us what the \$552 million will do?

..

Senator GALLACHER: So quite apart from the productivity improvements, do you have any statistics on the deaths and injuries on this highway? Do you keep stats on that? You mentioned black spots, pavement widening and all the rest of it. This is arguably one of the most dangerous roads in Australia. Do you do any work—outside of productivity improvements and improving infrastructure—on the avoidance of death and injury? Ms Garbin: There will be some stats. We do not have them with us today. We can take that on notice. Senator GALLACHER: There are always pressing claims about this infrastructure being under-resourced and causing death and injury. I am putting it very clearly to you—does the department keep stats on death and injury on this particular piece of road?

**Mr Mrdak:** Yes, our bureau of transport economics does quite a bit of road safety research. I will get the details of that for you.

. . .

**Senator GALLACHER:** Mr Mrdak, I would really appreciate it if you could, on notice, give us the stats and which way they are heading, and tie the infrastructure spend hopefully to the decrease in death and fatalities. I think it is really important that people see that going on.

**Mr Mrdak:** Absolutely. I will get the data for you, between us and Queensland. For anyone who has driven the section Cooroy-Curra, the section has already been completed. They were some of the most dangerous roads that I have driven, given the traffic volumes, in Australia. The substantial improvement that we have already seen with the completed stage of Cooroy-Curra really adds to what you have said about prioritising the highest road safety risk areas.

#### **Answer:**

There has been a significant reduction of crashes (31%), fatalities (32%) and serious injuries (28%) on the Bruce Highway between Brisbane and Cairns since the commencement of the Bruce Highway Upgrade Programme.

The Australian Government has committed over \$1.5 billion towards safety related works on the Bruce Highway, such as wide centre line treatment and overtaking lane works on the Bruce Highway at priority locations identified by the Queensland Government. In addition, major upgrades such as the Cooroy to Curra Upgrade, have played a role in increasing the overall safety record of the Bruce Highway.

# ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates 2017 - 2018

#### **Infrastructure and Regional Development**

**Committee Question Number: 50** 

**Departmental Question Number:** SQ17-000220

**Program:** Infrastructure Investment Program **Division/Agency:** Infrastructure Investment

**Topic: Gladstone Port Access Road Extension Funding** 

**Proof Hansard Page:** 98-99 (22 May 2017)

## Senator Ketter, Chris asked:

**Senator KETTER:** I have questions on the Gladstone port access road funding, which I note is on the department's website under the 2016-17 program of works, which is the most up-to-date that I have—and I think you said there is an update that might be coming out soon.

Mr Thomann: Yes, once we have a response from the Queensland minister responsible.

**Senator KETTER:** Could I have an update as to where that is at?

Ms Garbin: Sorry, what was the question?

**Senator KETTER:** The Gladstone port access road. I see in the 2016-17 program of works there was—**Ms Garbin:** There have been some early options analysis that were done a number of years ago but no further work has been done since.

**Senator KETTER:** Since when, sorry?

**Ms Garbin:** I will have to get the exact dates of the options analysis that was done by Queensland. The Australian government did provide some funding through the former original infrastructure fund. I will grab the numbers for you.

**Senator KETTER:** My understanding was that in the budget from last year there was an amount of money, \$3.83 million, for detailed design work for the Gladstone port access road.

**Ms Garbin:** The amount committed by the Australian government is \$3.83 million. There is \$2 million still available out that money. \$1.83 million has a ready been provided for some options analysis work.

**Senator KETTER:** What was the \$1.83 million spent on?

**Ms Garbin:** Options analysis and feasibility studies for the access roads to the port. **Senator KETTER:** Okay. Is that the earlier work that you were referring to previously?

Ms Garbin: Yes.

**Senator KETTER:** Are you going to come back to me as to when that was done?

Ms Garbin: Yes.

**Senator KETTER:** I am a bit surprised by that because I understood that in the 2014-15 budget the government had announced that there was going to be \$48.2 million for the extension of the Gladstone port access road to redirect large vehicles and hazardous goods movements away from the local and general traffic. That was a commitment from the 2014 budget. I am wondering if you could tell us why there has not been much progress in this area.

Ms Garbin: We will probably have to take that on notice and come back to you with more details.

**Senator KETTER:** So where is that \$48.2 million now?

**Ms Garbin:** I think the original commitment was around \$50 million—from my understanding—from the former original infrastructure fund. The remaining funding commitment is \$3.83 million. The balance of that has been reallocated away from that project a number of budgets ago—I understand—to other priorities within the Queensland program.

**Senator KETTER:** So the \$48.2 has been reallocated.

Ms Garbin: I am not sure what the 48.2 number is.

**Mr Mrdak:** I think we had better take it on notice and give you a more fulsome answer once we have had a look at it in detail.

. . .

**Senator KETTER:** Okay. I would like a more detailed update, so take that on notice. You said it was \$48.2 million that was announced back in 2014 as being available, so where is that money at this point in time? **Mr Thomann:** Yes, we can take that on notice.

#### ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates 2017 - 2018

#### **Infrastructure and Regional Development**

#### **Answer:**

In August 2010, the Australian Government committed \$50 million to the Gladstone Port Access Road Extension from the former Regional Infrastructure Fund.

In August 2012, of the \$50 million committed, \$3.83 million was approved for an options analysis and commencement of preliminary design works. The Options Analysis Report and Concept Design Report were completed on 21 February 2013 and 13 November 2014 respectively at a cost of \$1.83 million. The reports indicated the project would not be economically viable until 2031 due to the estimated low traffic levels in the short term.

In April 2013, as a result of the findings from the reports, the Queensland Government requested funding of \$46.17 million from the original commitment of \$50 million be redirected towards other higher priority projects which was subsequently agreed.

#### ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates 2017 - 2018

#### **Infrastructure and Regional Development**

**Committee Question Number: 51** 

**Departmental Question Number:** SQ17-000221

**Program:** 1.1 Infrastructure Investment **Division/Agency:** Infrastructure Investment

Topic: Breakdown of the \$1.6 billion in IIP offsets

**Proof Hansard Page:** 101 (22 May 2017)

## **Senator Rice, Janet asked:**

**Senator RICE:** Moving on to the Infrastructure Investment Program offsets, page 134 shows a reduction of \$1.6 billion in that program. Can you explain where that money is going?

**Mr Mrdak:** Yes. It is funding a range of measures that are in the budget. If I can take you through the offsets, there is funding for the commitment to the faster rail connecting capital cities business planning.

. . .

**Mr Mrdak:** For the delivery of Inland Rail, there is funding for the department to deliver the Inland Rail component which falls to the department. I can give you this in detail, including—

**Senator RICE:** Out of that \$1.6 billion, we have got so far only pretty small amounts—not that I would decry \$10 million, but it is pretty small change. You will have a lot of programs at that amount to add up to \$1.6 billion.

**Mr Mrdak:** I am coming to the larger numbers.

**Senator RICE:** The Inland Rail one was how much?

**Mr Mrdak:** I will get you that number. I have the figures out over the forwards and I will give you these broken down, perhaps on notice.

Senator RICE: Yes.

**Mr Mrdak:** I will list them first and then we can come back to areas you are particularly interested in. There is funding for the Department of Finance to assist the Inland Rail PPP delivery. There are offsets for the department in meeting the cost of the equity contribution, the public debt interest costs for the—

Senator RICE: Can you give me the amounts as well?

**Mr Mrdak:** Not readily because I do not have them totalled. I just have the titles at the moment. I can get that for you. On the Inland Rail, we have not published those numbers because they relate to the equity injection and profile of that, and also the public debt interest cost parameters of that have not been published.

Senator RICE: What is the order of magnitude, then, of the—

**Mr Mrdak:** I would have to take that on notice and seek advice from ministers. The decision in the budget is not for publication.

**Senator RICE:** Okay, so that is secret.

Mr Mrdak: There is some departmental funding for delivering the Western Sydney Airport.

**Senator RICE:** Is the cost of equity also a secret?

**Mr Mrdak:** Yes, that is not for publication. In delivering the Western Sydney Airport, there is the department's cost in establishing the Western Sydney Airport company and oversight. There are some additional resourcing for the Department of Finance—

# ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates 2017 - 2018

# Infrastructure and Regional Development

# **Answer:**

The items funded from the \$1.6 billion in offsets (including Inland Rail) are shown below:

Offset Items	\$'m				
Additional Funding for Infrastructure Australia					
Faster Speed Connecting Capital Cities and Orbital Regional Centres – Funding					
to Support Business Case Development					
Additional funding for the Australian Transport Safety Bureau (ATSB)					
Inland Rail					
Stronger Communities Program Round Three					
Infrastructure and Project Financing Agency – Establishment					
Supplementary Local Road Funding for South Australia					
Keys2drive – extension					
Western Sydney Airport	101.3				
ATSB – MH370 search windup	3.0				
Sunshine Coast Airport					
Community Development Grants	48.6				
Regional Growth Fund	472.3				
National Rail Program	600.0				
Far North Collector Road	13.8				
total	1,631.6				

#### ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates 2017 - 2018

## **Infrastructure and Regional Development**

**Committee Question Number: 52** 

**Departmental Question Number:** SQ17-000222

**Program:** 1.1 Infrastructure Investment **Division/Agency:** Infrastructure Investment

**Topic: New Infrastructure Investment Initiatives** 

**Proof Hansard Page:** 102 (22 May 2017)

# Senator Rice, Janet asked:

**Senator RICE:** But if you have that \$1.6 billion is over at the forward estimates as a reduction, that \$600 million, as you just said, is being funded out of that \$1.6 billion pot.

**Mr Mrdak:** There is a process that has gone on, which is that the government has funded the last year of the forward estimates with around \$4.46 billion. It has then made some offsets and then put some money back into the program, including the national rail funding. That is how you end up with the 2021 allocation.

**Senator RICE:** It still seems to me that you are double counting that \$600 million. If you were saying that it was coming out of that offset, that \$1.6 billion—

Mr Mrdak: I can assure you it is not, but that is how the final 2021 year has been structured.

**Senator RICE:** It would be good to get an itemised list of the new infrastructure spend in addition to what has been reallocated from that \$1.6 billion.

Mr Mrdak: I will take that on notice.

#### Answer:

In addition to the initiatives funded by the \$1.6 billion in offsets, the Government also made the following infrastructure announcements in the 2017-18 Budget:

- \$8.4 billion in additional equity to the Australian Rail Track Corporation to deliver the Melbourne to Brisbane Inland Rail project;
- Up to \$5.3 billion in equity to a new Government Business Enterprise to build and operate the new Western Sydney Airport;
- \$843.8 million for further projects on the Bruce Highway in Queensland, focussing on the heavily trafficked Pine River to Caloundra section;
- \$500 million for regional rail in Victoria;
- \$20.2 million in additional funding for the Murray Basin Rail;
- \$30 million towards business case development for the Melbourne Airport Rail Link; and
- \$1.6 billion for a Western Australian infrastructure package, including \$792 million allocated towards Metronet.

Post Budget, the Commonwealth has announced a further \$900 million towards the regional rail in Victoria, which brings the Australian Government contribution to \$1.4 billion.

### ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates 2017 - 2018

### **Infrastructure and Regional Development**

**Committee Question Number: 53** 

**Departmental Question Number: SQ17-000223** 

**Program:** 1.1 Infrastructure Investment **Division/Agency:** Infrastructure Investment

**Topic: Port Rail Shuttle** 

**Proof Hansard Page:** 105-106 (22 May 2017)

### **Senator Rice, Janet asked:**

**Senator RICE:** The ongoing saga of the Port Rail Shuttle in Melbourne—in February you said that you understood that work was about to start happening now that we have had the sale of the Port of Melbourne. I think you said that some work on the Port Rail Shuttle was imminent. Have you got any updates as to what is happening?

Mr Mrdak: My understanding is work is underway.

**Senator RICE:** What work?

**Mr Mrdak:** To provide access into the Somerton terminal, by VicTrack. My understanding is that work is underway, which will enable the first stages of that rail shuttle to start very shortly.

**Senator RICE:** Do you know any more details of what that work is, because some stakeholders that I have are not aware of that work actually beginning?

Mr Mrdak: It involves some track work into the site. I can take it on notice and get you a more detailed answer.

### **Answer:**

V/Line is undertaking track rehabilitation works in the Somerton Yard so that Austrak can increase train operations into its Somerton freight terminal. Austrak plans to include rail freight shuttles between Somerton and the Port of Melbourne in its operations over the next year. These works do not form part of the Australian Government's funding commitment to the Port Rail Shuttle project.

The Australian Government remains committed to delivering the Port Rail Shuttle in Melbourne and is progressing this project in partnership with the Victorian Government.

#### ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates 2017 - 2018

#### **Infrastructure and Regional Development**

**Committee Question Number: 54** 

**Departmental Question Number:** SQ17-000224

**Program:** 1.1 Infrastructure Investment **Division/Agency:** Infrastructure Investment

**Topic: Port Rail Shuttle connection to Dandenong** 

**Proof Hansard Page:** 106 (22 May 2017)

### **Senator Rice, Janet asked:**

**Senator RICE:** Okay. In terms of the Dandenong part of the Port Rail Shuttle, have you got any information about whether that is still within scope of the Port Rail Shuttle?

Mr Mrdak: I am sorry, I am not familiar with Dandenong.

**Senator RICE:** With the Port Rail Shuttle, my understanding of the works that are needed is you need to have the connections to Somerton in the north and Dandenong in the south-east, and Laverton or Derrimut in the west. There are works going on on the Dandenong line at the moment with the level crossings removal program, and we have been told that it does not look like they are taking into account the need for rail freight operations down to Dandenong.

**Mr Mrdak:** I am not familiar with the work that is being undertaken in relation to freight, but I will take that on notice.

**Senator RICE:** You have no information about the freight connection into Dandenong and how that it is part of the Port Rail Shuttle.

**Mr Mrdak:** No, I do not, sorry. I will seek advice from the Victorian government.

Senator RICE: Okay. Thank you.

#### **Answer:**

The Port Rail Shuttle network in Melbourne will include metropolitan intermodal terminals located in the key industrial areas of Melbourne's west (e.g. Truganina, Laverton/Altona), north (e.g. Somerton, Beveridge) and south east (e.g. Dandenong/Lyndhurst). Most of these terminal locations can connect to the Port of Melbourne via the existing rail network, which would be accessed outside of peak passenger transport times to avoid congestion of the rail corridors.

Transport for Victoria advises that works to grade-separate the Abbotts Road level crossing will not preclude rail access into industrial land at Lyndhurst, which is among the potential locations likely to be investigated for a shuttle terminal.

The Australian Government remains committed to delivering the Port Rail Shuttle in Melbourne and is progressing this project in partnership with the Victorian Government.

### ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates 2017 - 2018

### **Infrastructure and Regional Development**

**Committee Question Number: 55** 

**Departmental Question Number: SQ17-000179** 

Program: n/a

**Division/Agency:** Infrastructure Investment

**Topic: High Speed Rail** 

Proof Hansard Page: 107 (22 May 2017)

# Senator Sterle, Glenn asked:

**Senator STERLE**: I am sure that, regardless of whatever government is in power, they will want to start looking for ways of replacing revenue. Let us talk about the high-speed rail. According to your website, the Australian government is currently consulting with the governments of New South Wales, Victoria, Queensland and the ACT on the best approaches to protecting a corridor for a future high-speed rail network and other considerations for high-speed rail. I know we have discussed this before, but I want to ask a few more questions. When was the last meeting of the senior officers group on high-speed rail?

**Mr Mrdak:** I have to apologise, Senator. The team that handles high-speed rail was here earlier in our rail area. Can I take that on notice?

**Senator STERLE:** Of course you can, absolutely. I will put a few more on notice for you too then. When is the next scheduled meeting of the group?

Mr Mrdak: I will take that on notice.

**Senator STERLE:** What current matters are on the group's agenda? What matters have been completed in the past 12 months?

Mr Mrdak: Certainly.

**Senator STERLE:** What specific targets is the group working towards? What was the 2016-17 cost to the federal budget of resourcing the work of this group?

**Mr Mrdak:** The cost of the work has been absorbed by the department in its departmental budget, so there is no specific allocation for high-speed rail work. It is work that is undertaken by our rail branch. But I will take the other questions on notice.

**Senator STERLE:** What is the 2017 budget—do you have a budget for the high-speed rail group work?

Mr Mrdak: No, it is captured within our rail team.

### **Answer:**

a) When was the last meeting of the senior officers group on high-speed rail?

It has been agreed that discussions will progress bilaterally. Bilateral discussions continue relating to urban rail, faster rail and high-speed rail.

b) When is the next scheduled meeting of the group?

The Department continues to discuss a range of rail issues with its jurisdictional counterparts.

c) What current matters are on the group's agenda?

Refer above.

d) What matters have been completed in the past 12 months?

Jurisdictions are seeking to incorporate the preferred corridor outlined in the High Speed Rail Phase 2 Report into their city and regional plans, and into their land use planning processes. The timeframes for the finalisation of this work are the responsibility of the State and ACT governments in their role of controlling planning policies within their jurisdictions.

e) What specific targets is the group working towards?

Refer above.

# ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates 2017 - 2018

# **Infrastructure and Regional Development**

f) What was the 2016-17 cost to the federal budget of resourcing the work of this group? What is the 2017 budget—do you have a budget for the high-speed rail group work?

Any costs for work on faster rail and high-speed rail are covered within the Department of Infrastructure and Regional Development's departmental budget.

#### ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates 2017 - 2018

#### **Infrastructure and Regional Development**

**Committee Question Number: 56** 

**Departmental Question Number:** SQ17-000225

Program: 1.1 Infrastructure Investment
Division/Agency: Infrastructure Investment
Topic: Building Better Regions Fund

**Proof Hansard Page:** 110-111 (22 May 2017)

### Senator McCarthy, Malarndirri asked:

**Senator McCARTHY:** How many rounds of the Building Better Regions Fund program will there be, and what amounts will be allocated to each round?

...

**Mr Mrdak:** The current round is now up for assessment, and that advice should be available on the timetable available to ministers by the middle of this year. Given the time involved, it is most likely that ministers may choose to do a further round of BBRF either later this year or early next year.

. . .

**Senator McCARTHY:** Have you had any representations from outer metropolitan area councils facing pressures due to population growth and lack of community infrastructure about being excluded from the program?

Mr Mrdak: Yes, Senator.

**Senator McCARTHY:** Which councils are they?

**Mr Mrdak:** I do not have that detail. Can I take that on notice?

Senator McCARTHY: You can; thank you. Can you provide an update on round 1 of this program?

**Mr Mrdak:** Assessments are currently being completed by the assessment hub which has been established. We anticipate the results of that assessment will be available to us and to ministers probably towards the end of June.

**Senator McCARTHY:** When you say they will be available to you, do you mean in terms of the projects being announced for the infrastructure stream and the community investment stream?

Mr Mrdak: Yes, Senator.

Senator McCARTHY: It will be the end of June.

Mr Mrdak: At this stage, that would be the time frame. I think we indicated in the guidelines that the

assessment would be completed by June.

#### **Answer:**

The following councils have written to Senator the Hon Fiona Nash, Minister for Regional Development, about their eligibility for the Building Better Regions Fund:

- Adelaide Hills Council
- Mount Barker District Council
- Shire of Murray
- Blue Mountains City Council

#### ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates 2017 - 2018

### **Infrastructure and Regional Development**

**Committee Question Number: 57** 

**Departmental Question Number: SQ17-000231** 

**Program:** 1.1 Infrastructure Investment **Division/Agency:** Infrastructure Investment

**Topic: Cycling Infrastructure** 

**Proof Hansard Page:** 113 (22 May 2017)

### **Senator Rice, Janet asked:**

**Senator RICE:** What work with regard to cycling is going on at a federal level at the moment?

**Mr Mrdak:** The Australian government is funding its contribution to the Australian Bicycle Council, which is continuing its work this year. Additionally, as we have discussed previously, in our Infrastructure Investment Program we do fund a range of projects which involve providing active transport options, including bikepaths and footpaths.

**Senator RICE:** As we have discussed in previous years, I think I have asked you whether you are able to articulate what money is spent on cycling infrastructure at a federal level.

**Mr Mrdak:** We certainly have provided answers in relation to where, as part of land transport infrastructure projects, we have provided funding for active travel options. I am happy to take that on notice.

**Senator RICE:** Would you take on notice as to what is currently planned that has been spent in the last financial year and what is planned to be spent.

### **Answer:**

On and off-road cycling infrastructure, along with other active transport measures are considered during the development phase of projects, with a number of projects within the IIP comprising dedicated cycling infrastructure.

Current projects funded under the IIP that incorporate or planned to support cycling outcomes are listed below.

The Gateway Upgrade North (QLD)
Bruce Highway – Townsville Ring Road – Section 4 (QLD)
The Bruce Highway – Boundary Road Interchange Upgrade (QLD)
Tiger Brennan Drive (NT)
Aubin Grove Train Station Precinct (WA)
Great Eastern Highway – Bilgoman Road to Mundaring (WA)
Mitchell Freeway Extension – Burns Beach Road to Hester Avenue (WA)
Nicholson Road/Rail grade separation (WA)
NorthLink WA – Swan Valley Bypass (WA)
NorthLink WA – Tonkin Grade Separations (WA)
Reid Highway – Malaga Drive Intersection Grade Separation (WA)
Roe Highway/Berkshire Road grade separation (WA)
Armadale Road Duplication – Anstey to Tapper (WA)
Kwinana Freeway widening (northbound from Russell Road to the Roe Highway) (WA)

Roe Highway (Tonkin Highway to Welshpool Road) – Widening (WA)

#### ANSWERS TO QUESTIONS ON NOTICE

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#### **Infrastructure and Regional Development**

North-South Corridor Adelaide: (SA) Torrens Road to River Torrens Darlington Upgrade Northern Connector (SA) WestConnex (NSW) Pacific Highway – Banora Point Upgrade (NSW) M1 Productivity Package – Tuggerah to Doyalson (NSW) Moree Bypass Stage 2 (NSW) Queanbeyan Bypass (NSW) Newcastle Port – Kooragang Island Connectivity (NSW) Higher Mass Limits Bridges Package – Fitzgerald Bridge at Aberdeen (NSW) Narellan Road (NSW) Bringelly Road Upgrade (NSW) The Northern Road Upgrade (NSW) Werrington Arterial Road (NSW) Goodwood and Torrens Junctions project (SA) Flinders Link (SA) Oaklands Crossing (SA) Majura Parkway (ACT) Midland Highway Upgrade (TAS) – Perth to Breadalbane Duplication Tasman Ramps (TAS) – shared user path Westbury Road Upgrade (TAS) Western Highway (VIC) - Ballarat to Stawell Duplication Princes Highway West (VIC) – Waurn Ponds to Winchelsea Duplication Princes Highway West (VIC) – Winchelsea to Colac Duplication Princes Highway East (VIC) - Traralgon to Sale Princes Highway East (VIC) – Sand Road Interchange

Funding for the cycle specific assets of the projects cannot be identified separately to the cost of the overall project.

Hume Freeway (VIC) – O'Herns Road Interchange

### ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates 2017 - 2018

#### **Infrastructure and Regional Development**

**Committee Question Number: 58** 

**Departmental Question Number:** SQ17-000226

**Program:** Community Development Grants Programme

**Division/Agency:** Infrastructure Investment

**Topic: Community Development Grants Programme** 

Proof Hansard Page: 116 (22 May 2017)

# Senator McCarthy, Malrndirri asked:

**Senator Nash:** As we have said, for the Building Better Regions Fund, the maximum contribution from the Commonwealth, as you know, is \$10 million. For this new major regional projects fund, the minimum contribution will be \$10 million, so it is very much geared at larger projects.

**Senator McCARTHY:** There is no competitive process for community development grants, is there? **Ms Zielke:** No. They are generated from decisions taken, largely, in the context of election commitments. **Senator McCARTHY:** How are projects identified for funding under this program—because they are election commitments?

**Mr Mrdak:** Some projects are that the government has made commitments to. Other than that, they are projects that have been initiated by ministers or with decisions taken by ministers to initiate a project.

Senator McCARTHY: So they are either an election commitment or they are a minister's suggested project.

Mr Mrdak: To initiate, that is correct.

**Senator McCARTHY:** How many of those are there?

**Mr Mrdak:** I do not have that detail, I am sorry. The community development grants are administered in our infrastructure division, which has left us tonight. The officers who look after that program have gone. I can take questions on notice, in relation—

### **Answer:**

A list of all announced contracted grants under the Community Development Grants programme can be found on the Department of Infrastructure and Regional Development's Grant Reporting web page at: <a href="https://www.infrastructure.gov.au/department/grants/index.aspx">www.infrastructure.gov.au/department/grants/index.aspx</a>.

### ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates 2017 - 2018

### **Infrastructure and Regional Development**

**Committee Question Number: 59** 

**Departmental Question Number:** SQ17-000227

**Program:** 1.1 Infrastructure Investment **Division/Agency:** Infrastructure Investment

**Topic: Contracted Community Development Grants** 

**Proof Hansard Page:** 117 (22 May 2017)

# Senator McCarthy, Malarndirri asked:

**Senator McCARTHY:** Now that you have provided 453 community development grants you do not expect to be announcing any more, do you? Minister?

Mr Mrdak: There is not, at this stage, any further scope, unless there are savings or projects that do not

proceed.

**Senator Nash:** That funding has been committed, as the secretary has outlined.

**Senator McCARTHY:** Of the 453, are they publicly listed?

Mr Mrdak: As projects are contracted, we provide the details on our website. On our website we have all of the

contracted projects.

Senator McCARTHY: How many of those would be contracted?

Mr Mrdak: I will take that on notice.

### **Answer:**

A list of all announced contracted grants under the Community Development Grants programme can be found on the Department of Infrastructure and Regional Development's Grant Reporting web page at: <a href="https://www.infrastructure.gov.au/department/grants/index.aspx">www.infrastructure.gov.au/department/grants/index.aspx</a>.

### ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates 2017 - 2018

### **Infrastructure and Regional Development**

**Committee Question Number: 60** 

**Departmental Question Number: SQ17-000228** 

**Program:** 1.1 Infrastructure Investment **Division/Agency:** Infrastructure Investment

**Topic: Community Development Grants - Indigenous Employment** 

**Proof Hansard Page:** 117-118 (22 May 2017)

# Senator McCarthy, Malarndirri asked:

**Senator McCARTHY:** Just out of curiosity, do you have any Indigenous components to those contracts? **Mr Mrdak:** Again I will take that on notice, if I may. Do you mean in terms of Indigenous employment requirements?

**Senator McCARTHY:** That is correct.

**Mr Mrdak:** Certainly a number of projects have identified Indigenous employment as part of the project, but let me take that on notice and get the details from the team.

#### **Answer:**

Current contracts do not require reporting on Indigenous employment.

The Department is introducing reporting for future programmes.

### ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates 2017 - 2018

### **Infrastructure and Regional Development**

**Committee Question Number: 61** 

**Departmental Question Number: SQ17-000229** 

Program: 1.1 Infrastructure Investment Division/Agency: Infrastructure Investment Topic: Stronger Communities Programme Proof Hansard Page: 118 (22 May 2017)

# Senator McCarthy, Malarndirri asked:

Senator McCARTHY: Can I take you to Stronger Communities. Have all projects awarded grants under

previous rounds of the Stronger Communities Program proceeded?

Mr Mrdak: Again, I do not have the team here with me tonight. Can I take that on notice?

Senator McCARTHY: Sure. I will give you another question. Could you please also give details of the projects

that did not proceed, their location and the reason for this.

Mr Mrdak: Certainly.

#### **Answer:**

Under rounds one and two of the Stronger Communities Programme, 23 projects were withdrawn after approval. Please see <u>Attachment A</u> for details.

#### **Attachments**

• <u>Attachment A</u> – Details of Stronger Communities Programme projects withdrawn after approval.

Project ID	Name	Primary Applicant	Project Location	State	Reason for Withdrawal
SCP0000392	Disabled Access for Maclean Golf Club	Maclean Golf Club Ltd	Maclean	NSW	Project withdrawn 15 June 2016. Applicant unable to proceed with project.
SCP0000592	Avalon Village Recreational Community Green Space	Uniting Church in Australia Property Trust (NSW) through Avalon Uniting Church	Avalon Beach	NSW	Project withdrawn 14 June 2016. Applicant unable to proceed with project.
SCP0001030	Lighting School Oval	Modbury Vista Junior Soccer Club	Wynn Vale	SA	Project withdrawn 20 August 2016. Applicant relocating premises.
SCP0001752	Hand Over Park Daguragu Refurbishment	Gurindji Aboriginal Corporation	Daguragu	NT	Project withdrawn 13 January 2017. Applicant unable to obtain statutory approvals.
SCP0001771	ANZAC Park Cricket Ground Electronic Scoreboard	Lindisfarne Cricket Club Inc	Lindisfarne	TAS	Project withdrawn 23 February 2017. Applicant unable to proceed with project.
SCP0001966	Geelong Rock & Roll Purchase Custom Trailer/Storage	Geelong Jukebox Rockers incorporated	Breakwater	VIC	Project withdrawn 18 July 2017. Applicant unable to proceed with project.
SCP0002063	Lions Club Alligator Creek Sustainability Project	Lions Club of Castle Hill Townsville	Alligator Creek	QLD	Project withdrawn 10 January 2017. Applicant unable to proceed with project.
SCP0002239	CAN Community Support - Solar Power	Church of All Nations of Carlton as the Operator of a PBI	Carlton	VIC	Project withdrawn 8 May 2017. Applicant unable to proceed with project.
SCP0002390	GVRFB Variable Message Sign	Grose Vale Rural Fire Brigade	Grose Vale	NSW	Project withdrawn 20 May 2016. Applicant unable to proceed with project.
SCP0002685	Seniors Gym (Exercise Equipment for Seniors)	Tripoli and Mena Association Limited	Lakmeba	NSW	Project withdrawn 20 April 2016. Applicant unable to proceed with project.
SCP0002912	New Hall Roof for Lugarno Public School	Lugarno Public School Parents and Citizens Association	Lugarno	NSW	Project withdrawn 5 May 2016. Applicant received project funding from another source.
SCP0003159	Jubilee Bowls Club Shade Cover Purchase and Installation	Jubilee Bowls Club Inc	Mundingburra	QLD	Project withdrawn 6 June 2016. Applicant no longer able to contribute co-funding.
SCP0003172	RCW Better Opportunity Project (BOP) Shop	Redlands Centre for Women Incorporated	Cleveland	QLD	Project withdrawn 27 May 2016. Applicant unable to proceed with project.
SCP0003277	Wanneroo Horse & Pony Club Upgrade/Enhancement	Wanneroo Horse & Pony Club Inc	Wanneroo	WA	Project withdrawn 2 March 2017. Applicant no longer able to contribute co-funding.
SCP2000547	Horst Shared Living House Access Upgrade	Sunnyfield	Mona Vale	NSW	Project withdrawn 12 September 2016. Applicant no longer able to contribute co-funding.
SCP2001046	All Saint Community Hall Upgrade	The Perth Diocesan Trustees	Gosnells	WA	Project withdrawn 25 August 2016. Applicant unable to proceed with project.
SCP2001238	Emergency Relief – Security and Bathroom Upgrade	The Uniting Church in Australia Property Trust (Q.)	Fortitude Valley	QLD	Project withdrawn 7 October 2016. Funded under the Community Development Grants programme.
SCP2001909	Purchase Blower door and Thermal Camera	Baw Baw Sustainability Network Inc	Yarragon	VIC	Project withdrawn 3 June 2016. Applicant unable to proceed with project.
SCP2002058	Install Air Conditioning Systems and New Furniture	S Triple C Redcliffe Inc.	Redcliffe	QLD	Project withdrawn 14 December 2016. Applicant relocating premises.
SCP2002095	Plaques for Tribute to Miners of the Illarrawa	Russell Vale Golf & Social Club Ltd	Russell Vale	NSW	Project withdrawn 6 September 2016 as project funded under Round 1.
SCP2002285	Endeavour Industries Castle Hill Kitchen Upgrade	Lions Clubs District 201N5	Castle Hill	NSW	Project withdrawn 28 October 2016. Project partner relocating premises.
SCP2002569	Wallaga Lake Bermagui Men's Shed Purchase of Tools	Wallaga Lake - Bermagui Men's Shed Inc.	Akolele	NSW	Project withdrawn 21 September 2016. Applicant relocating premises.
SCP2002595	Access For All	Thorpdale Mechanics Institute Inc	Thorpdale	VIC	Project withdrawn 19 August 2016. Rescoped project resubmitted and approved on 8 September 2016.

### ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates 2017 - 2018

#### **Infrastructure and Regional Development**

**Committee Question Number: 62** 

**Departmental Question Number:** SQ17-000275

Program: 1.1 Infrastructure Investment Division/Agency: Infrastructure Investment Topic: Heritage Passenger Rail Standards Proof Hansard Page: Written (24 May 2017)

### Senator Duniam, Jonathon asked:

- 1. What standards are in place relating to heritage or tourism passenger railways that might prevent them from running on commercial freight lines?
- 2. What differing standards apply for commercial passenger lines as compared to commercial freight lines?
- 3. What accreditation would be required by heritage tourism railway operators or drivers in order to run on a commercial freight line?

#### Answer:

Passenger rail standards are managed by the Rail Industry Safety and Standards Board (RISSB). RISSB is a not-for-profit company which is accredited to develop Australian Standards in the fields of rolling stock, railway infrastructure and railway operations. Questions on standards applicable to heritage or tourism rail are best directed to this company.

With respect to rail safety management, the *Rail Safety National Law* (RSNL) provides the same safety requirements for all accredited rail transport operators, but the level of detail required for each operator may be different depending on the scope and nature of their operations. The Office of the National Rail Safety Regulator (ONRSR) is responsible for regulating rail safety under the *Rail Safety National Law* (*South Australia*) *Act* 2012.

In 2016, ONRSR published practical guidance for small isolated heritage rail transport operators on meeting the requirements of the RSNL and implementing a safety management system. The RSNL applies in all states and territories with the exception of Queensland, which has its own rail safety regulation.

### ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates 2017 - 2018

#### **Infrastructure and Regional Development**

**Committee Question Number: 63** 

**Departmental Question Number: SQ17-000189** 

**Program:** Inland Rail

**Division/Agency:** Infrastructure Investment

**Topic: Inland Rail Alignment** 

**Proof Hansard Page:** Written (25 May 2017)

### Senator Burston, Brian asked:

- 1. How was the current route for the proposed Inland Rail project chosen?
- 2. Has a cost benefit analysis been completed or being considered for the current proposed route of the Inland rail project?
- 3. Have other alternate routes been considered?
- 4. Has Infrastructure Australia consider the estimated tonnes of freight per annum that could be transported when choosing the route of the Inland rail project?
- 5. Is Infrastructure Australia aware of the proposed route by the National Trunk Rail for the Inland rail project that takes in the food bowls of Shepparton and the MIA?

#### Answer:

1. There have been extensive assessments to establish a preferred route for Inland Rail. In 2010, the Australian Rail Track Corporation completed the 2010 Melbourne-Brisbane Inland Rail Alignment Study, which investigated a range of potential alignment options between Melbourne and Brisbane. A preferred corridor alignment was selected on the basis of providing a service offering that meets industry needs, while minimising cost and disruption to communities.

In 2015, the *Inland Rail Implementation Group*, chaired by the former Deputy Prime Minister, the Hon John Anderson AO, endorsed the alignment as a base case corridor subject to some refinements and further work to be undertaken.

The alignment for Inland Rail has now been largely settled with some areas requiring further refinement, most notably between Yelarbon and Gowrie in southeast Queensland, and Narromine to Narrabri in northern New South Wales. This reflects the need for on-the-ground work and community input to refine the corridor to a precise alignment. Refinements to the Inland Rail alignment is expected to be finalised by mid-2017.

- 2. Yes.
- 3. Yes.
- 4. Yes.
- 5. Yes.

### ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates 2017 - 2018

### **Infrastructure and Regional Development**

**Committee Question Number: 64** 

**Departmental Question Number: SQ17-000280** 

Program: n/a

**Division/Agency:** Infrastructure Investment

**Topic: CityLink Concession Deed** 

**Proof Hansard Page:** Written (30 May 2017)

# Senator Hume, Jane asked:

The Concession Deed provides that the State may terminate the Concession Deed on prescribed dates prior to the 34 years and 6 months anniversary from Completion in 2000, if Transurban has achieved a 17.5% real after tax equity return on the following anniversaries –

25 years and 6 months, 27 years, 29 years, 31 years or 33 years after the Date of Completion.

What is the dollar amount of the equity which is used to calculate the Equity Return on the relevant anniversary dates?

### **Answer:**

# ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates 2017 - 2018

### **Infrastructure and Regional Development**

**Committee Question Number: 65** 

**Departmental Question Number:** SQ17-000281

Program: n/a

**Division/Agency:** Infrastructure Investment

**Topic: CityLink Concession Deed** 

**Proof Hansard Page:** Written (30 May 2017)

# **Senator Hume, Jane asked:**

The CEO has stated publically that Transurban has spent \$2 billion on the road network, using this as justification why profits earned by Transurban won't reach the trigger level for termination of the Concession Deed. Can you give the Committee a breakdown of what that \$2 billion has been spent on?

### **Answer:**

# ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates 2017 - 2018

### **Infrastructure and Regional Development**

**Committee Question Number: 66** 

**Departmental Question Number:** SQ17-000282

Program: n/a

**Division/Agency:** Infrastructure Investment

**Topic: West Gate Tunnel Project** 

**Proof Hansard Page:** Written (30 May 2017)

# **Senator Hume, Jane asked:**

Will equity return calculations to date be completed prior to Transurban and the State agreeing to any further extension of the Concession Period as part of the West Gate Tunnel Project negotiations and will you make those calculations public?

### **Answer:**

### ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates 2017 - 2018

### **Infrastructure and Regional Development**

**Committee Question Number: 67** 

**Departmental Question Number:** SQ17-000283

Program: n/a

**Division/Agency:** Infrastructure Investment

**Topic: CityLink Financial Model** 

**Proof Hansard Page:** Written (30 May 2017)

# Senator Hume, Jane asked:

The Base Case Financial Model within the Concession Deed is the financial model, along with associated assumptions, projections and calculations which are used to determine certain payments and returns.

Are you aware of any changes that have been made to the Base Case Financial Model under the circumstances set out in the Agreement?

If so, could you make available to the Committee the changes, and the rationale for the changes, to the Base Case Financial Model approved under clauses in the Deed, 14.3(d) or, if approved under 14.3(e), what changes to data or what revisions were incorporated?

#### **Answer:**

### ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates 2017 - 2018

### **Infrastructure and Regional Development**

**Committee Question Number: 68** 

**Departmental Question Number: SQ17-000284** 

Program: n/a

Division/Agency: Infrastructure Investment

**Topic: CityLink Concession Deed** 

**Proof Hansard Page:** Written (30 May 2017)

### Senator Hume, Jane asked:

 There are a number of factors that will influence the trigger of 17.5% equity return to terminate the Concession Deed.

Real toll increases, which have out-stripped CPI by almost 2%.

State works, including the Tulla-Calder works and the Monash Upgrade, which have significantly increased feeder capacity by up to 15%.

Enhanced traffic management improvements.

Traffic growth of at least 5%, possibly as high as 30% above the Base Case traffic model.

Corporate tax rate reduction from 36% to 30%.

Re-financing in an environment of declining rates.

Is it your position that, despite these factors, Transurban has not received an equity return of at least 17.5%.

If yes, what has been the rate of return?

2. If Transurban were not to invest in the West Gate Tunnel Project, would Transurban be likely to reach an equity rate of return of 17.5% at any of the termination anniversaries?

#### **Answer:**

# ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates 2017 - 2018

### **Infrastructure and Regional Development**

**Committee Question Number:** 69

**Departmental Question Number:** SQ17-000286

**Program:** 1.1 Infrastructure Investment **Division/Agency:** Infrastructure Investment

**Topic: Breakdown of funding of Infrastructure Programs** 

**Proof Hansard Page:** Written (2 June 2017)

# Senator Sterle, Glenn asked:

Can the Department provide a breakdown of funding for each of its programs on a state/territory by state/territory basis for each year between 2013/14 and 2020/21?

### **Answer:**

The information is available from the tables contained in the infrastructure section of Budget Paper 3 and its equivalents from the Final Budget Outcome documents.

ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates 2017 - 2018

### **Infrastructure and Regional Development**

**Committee Question Number: 70** 

**Departmental Question Number: SQ17-000287** 

**Program:** Infrastructure Investment

**Division/Agency:** Infrastructure Investment **Topic: Deception Bay Road Interchange Proof Hansard Page:** Written (2 June 2017)

### **Senator Sterle, Glenn asked:**

- 1. When is construction estimated to begin?
- 2. Is the \$120 million allocated just for the upgrade of the bridge, or will it include the four-laning of Deception Bay Road back to Park Road? What proportion of the funding has been previously allocated in past budgets, and how much is new funding?
- 3. Has the Government's share of funds allocated for the feasibility study been paid to the State Government?
- 4. Are there any deficits in the funding for the Deception Bay Road overpass that may hinder its progress?

#### **Answer:**

The \$120 million in Australian Government funding allocated to the Deception Bay Road Interchange project as part of the 2017-18 Budget process is for the development of the Business Case, and subsequent upgrade of the Bruce Highway interchange at Deception Bay Road. The Business Case is expected to be completed in late 2017 which will identify the preferred scope and design of the project.

This is the first Australian Government commitment towards the project, with funding allocated starting in the 2017-18 financial year. No payments have yet been made to the Queensland Government. There are no identified deficits in the funding for the project.

### ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates 2017 - 2018

### **Infrastructure and Regional Development**

**Committee Question Number: 71** 

**Departmental Question Number: SQ17-000288** 

**Program:** 1.1 Infrastructure Investment Program **Division/Agency:** Infrastructure Investment

Topic: The 2016-17 "Payments to support State infrastructure services" allocation

**Proof Hansard Page:** Written (2 June 2017)

# Senator Sterle, Glenn asked:

Can the Department explain why there will be \$1.6 billion underspend in the current financial year i.e. 2016-17? Can you indicate, by project, where there underspends are expected?

### **Answer:**

The 2016-17 "payments to support State infrastructure services" decreased by \$1.6 billion between Budget 2016-17 and Budget 2017-18 due primarily to two factors:

- The difference of \$850 million between Budget 2016-17 and MYEFO 2016-17 primarily represents the Government's decision to use unallocated funds in the IIP to offset other commitments within the Infrastructure and Regional Development Portfolio<sup>2</sup>. This had no impact on existing projects.
- The difference of \$766 million between MYEFO 2016-17 and Budget 2017-18 largely reflects a movement of IIP funds from 2016-17 into later years of the program to better reflect the milestone requirements of the projects, based primarily on advice from the States and Territories. The funding, therefore, remains committed to the IIP and specific projects.

Neither factor led to the delay or cancellation of any project or the need to vary the scope of any project.

<sup>&</sup>lt;sup>1</sup> Budget Paper 3 2016-17, page 48 compared to Budget Paper 3 2017-18, page 46.

<sup>&</sup>lt;sup>2</sup> MYEFO 2016-17 Budget Paper 1, Part 3, page 44 – "policy decision to decrease payments by \$864 million in 2016-17 by redirecting uncommitted infrastructure funding".

### ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates 2017 - 2018

### **Infrastructure and Regional Development**

**Committee Question Number: 72** 

**Departmental Question Number: SQ17-000289** 

**Program:** Infrastructure Investment

**Division/Agency:** Infrastructure Investment

**Topic: Bruce Highway funding** 

**Proof Hansard Page:** Written (2 June 2017)

# Senator Sterle, Glenn asked:

Can you provide the funding profile for the Government's 10 year \$6.7 billion Bruce Highway Upgrade Program, starting in 2013-14?

### **Answer:**

The table below outlines the current Australian Government funding profile for work on the Bruce Highway Upgrade Program.

FY	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
\$M	288.0	493.6	479.6	473.2	552.2	1018.5	1176.3	1334.1

The remaining funding is outside the forward estimates, the Australian Government is committed to its \$6.7 billion Bruce Highway 10 year Program of works. There are now even more projects being delivered than those scheduled in 2013-14 due to considerable cost savings in the delivery of the program.

# ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates 2017 - 2018

### **Infrastructure and Regional Development**

**Committee Question Number: 73** 

**Departmental Question Number:** SQ17-000290

**Program:** 1.1 Infrastructure Investment **Division/Agency:** Infrastructure Investment

Topic: Payment of project milestones in 2016-17

**Proof Hansard Page:** Written (2 June 2017)

# Senator Sterle, Glenn asked:

Have any payments been made to States or territories ahead of established project milestones in 2016-17?

If yes, can you list the projects and the amounts paid in advance?

### **Answer:**

No.

### ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates 2017 - 2018

### **Infrastructure and Regional Development**

**Committee Question Number: 74** 

**Departmental Question Number:** SQ17-000291

**Program:** Infrastructure Investment

Division/Agency: Infrastructure Investment

**Topic: Pacific Highway upgrade** 

**Proof Hansard Page:** Written (2 June 2017)

# Senator Sterle, Glenn asked:

- 1. How much will be invested this year (2016-17) in upgrading this road?
- 2. How much will be invested in 2017-18 in upgrading this road?
- 3. How much will be invested in 2018-19 in upgrading this road?
- 4. How much will be invested in 2019-20 in upgrading this road?
- 5. How much will be invested in 2020-21 in upgrading this road?

#### **Answer:**

1. The Australian Government has committed \$5.64 billion, from 2013-14 onwards, towards the upgrade of the Pacific Highway.

The forecast Australian Government commitment for 2016-17 is \$1,298.2 million.

- 2. The forecast Australian Government commitment for 2017-18 is \$710.1 million.
- 3. The forecast Australian Government commitment for 2018-19 is \$819.6 million.
- 4. The forecast Australian Government commitment for 2019-20 is \$623.2 million.
- 5. There is no Australian Government contribution beyond 2019-20 as the project is expected to be completed.

#### ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates 2017 - 2018

#### **Infrastructure and Regional Development**

**Committee Question Number: 75** 

**Departmental Question Number:** SQ17-000292

**Program:** 1.1 Infrastructure Investment Program **Division/Agency:** Infrastructure Investment

Topic: Total grant funding for the Infrastructure Investment Program from 2017-18 to

**2026-27, including the National Rail Program. Proof Hansard Page:** Written (2 June 2017)

### **Senator Sterle, Glenn asked:**

In Estimates on 22 May 2017 the Department (Mr Thomann) confirmed total grant funding for the period 2017-18 to 2026-2027 is \$51.3 billion.

- How much of the \$10 billion National Rail Program is included in that \$51.3 billion figure?
- How much of that \$51.3 billion is already allocated to specific projects? How much of that funding is currently unallocated? Can you provide a year by year breakdown of the unallocated funding?

### **Answer:**

The \$51.3 billion figure advised by the Department in Estimates did not include new announcements at Budget. The total grant funding amount for the 2017-18 to 2026-2027 period is \$52.2 billion and a correction of Hansard has been submitted.

The \$10 billion for the National Rail Program is included in the \$52.2 billion.

Below is a table of the Infrastructure Investment Program grant commitments, unallocated funding and total as at 7 May 2017.

	Forwa	rd Estimates	Projections <sup>1</sup>			
	2017-18	2018-19	2019-20	2020-21	2021-22 to 2026-27	Total
	(\$m)	(\$m)	(\$m)	(\$m)	(\$m)	
Existing	7,144	5,820	4,845	3,532	6,887	28,228
Project						
Commitments <sup>2</sup>						
National Rail	0	0	200	400	9,400	10,000
Program <sup>3</sup>						
Unallocated	0	0	3	209	13,797	14,009
Total <sup>4</sup>	7,144	5,820	5,048	4,141	30,084	52,237

<sup>&</sup>lt;sup>1</sup> Funding beyond the Forward Estimates is determined as commitments are made and project milestones are agreed with the relevant state or territory government.

<sup>&</sup>lt;sup>2</sup> Includes the newly announced Victorian Infrastructure Package and the Far North Connector Road, but excludes the National Rail Program (separately identified). This also includes the commitments to the Infrastructure Investment Program's subprograms (such as Roads to Recovery).

<sup>&</sup>lt;sup>3</sup> Profile of the National Rail Program across the forward estimates and the remainder from 2021-22 to 2026-27, yet to be profiled.

<sup>&</sup>lt;sup>4</sup> The total excludes the \$461.2 million currently in the Contingency Reserve for further Victorian Infrastructure projects, equity injections and concessional loans, but includes the subprograms.

### ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates 2017 - 2018

# **Infrastructure and Regional Development**

**Committee Question Number: 76** 

**Departmental Question Number:** SQ17-000293

**Program:** 1.1 Infrastructure Investment **Division/Agency:** Infrastructure Investment

Topic: Bass Highway – Wynyard Intersection Upgrade

**Proof Hansard Page:** Written (2 June 2017)

### Senator Sterle, Glenn asked:

On 6 June 2016 the Government announced that if re-elected they would provide \$650,000 for right hand turn lanes at the intersection of the Bass Highway/Reservoir Drive at Wynyard.

On 27 June 2016 the former local Federal Member announced that the Federal Government would provide \$2.13m to Waratah Wynyard Council, who will partner with the State Government to deliver road upgrades at the five dangerous intersections on the Bass Highway, include the Bass Highway/Reservoir Drive intersection.

- Can the Department confirm whether the \$650,000 announced on 6 June been absorbed into this project?
- Can the Department confirm whether it has received a project proposal or any correspondence from the Tasmanian Government that would allow this much needed funding to be released? If not, when is something likely to be received?

### **Answer:**

The Australian Government is contributing \$650,000 under the Black Spot Programme to the installation of right turn lanes at the Bass Highway/Reservoir Drive intersection at Wynyard. This funding forms part of the Black Spot Programme allocation for Tasmania for 2017-18.

The Australian Government has separately committed \$2.3 million to the Bass Highway – Wynyard Intersection Upgrades project. The Tasmanian Department of State Growth has indicated that it expects to submit a project proposal in mid-2017.

### ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates 2017 - 2018

### **Infrastructure and Regional Development**

**Committee Question Number: 77** 

**Departmental Question Number:** SQ17-000294

**Program:** 1.1 Infrastructure Investment **Division/Agency:** Infrastructure Investment

Topic: Bass Highway - Cooee and Wynyard Planning

**Proof Hansard Page:** Written (2 June 2017)

### Senator Sterle, Glenn asked:

The Government's infrastructure budget media release confirmed a \$500,000 election promise for Bass Highway planning between Cooee and Wynyard.

- Can the Department answer whether it has received a project proposal from the Tasmanian Government that would allow this funding to be released? If not, when is something likely to be received?
- Can the Department advise why local government would be responsible for delivering this project? Is the Department aware of any other situation where local government is responsible for delivering a Federally-funded project on a state road?

#### **Answer:**

The Tasmanian Department of State Growth (DSG) has indicated that a project proposal is expected to be submitted to the Department of Infrastructure and Regional Development in mid-2017.

Local Government is not delivering this project. As the Bass Highway is a state responsibility, the project will be managed by DSG.

### ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates 2017 - 2018

### **Infrastructure and Regional Development**

**Committee Question Number: 78** 

**Departmental Question Number: SQ17-000295** 

**Program:** 1.1 Infrastructure Investment **Division/Agency:** Infrastructure Investment

Topic: Bass Highway and Illawarra Main Road Safety Upgrades

**Proof Hansard Page:** Written (2 June 2017)

# Senator Sterle, Glenn asked:

In February of this year the Federal Member for Braddon wrote to the Minister regarding road safety issues on the Bass Highway at Latrobe. The correspondence referred to a proposal to be submitted by the Tasmanian Government to gain approval for surplus Federal funds from work on the Bass Highway at Biralee and Westbury to be reallocated to the Bass Highway at Latrobe. In the Minister's reply on April 5, he stated that he expected a project proposal from the Tasmanian Government in the coming months.

- 1. Has the Department received that proposal?
- o If yes, has the request been agreed to by the Minister?
- o What amount of surplus funding are they seeking to reallocate?
- o When will work commence on the project?
- 2. If the proposal has not been received, when is something likely to be received0?

### **Answer:**

- 1. No.
- The Tasmanian Department of State Growth has indicated that a project proposal is expected to be submitted in mid-2017.

### ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates 2017 - 2018

### **Infrastructure and Regional Development**

**Committee Question Number: 79** 

**Departmental Question Number: SQ17-000296** 

**Program:** 1.1 Infrastructure Investment **Division/Agency:** Infrastructure Investment

Topic: Bass Highway between Marrawah and Wynyard and shared pathways

**Proof Hansard Page:** Written (2 June 2017)

# Senator Sterle, Glenn asked:

- 1. Has the Tasmanian Government made any representations to the Federal Government about contributing to the cost of the upgrade of the Bass Highway from Marrawah to Wynyard, excluding the existing contributions for the Wynyard intersections?
  - If yes, can the Department detail the scope of the work and the amount being sought?
- 2. Has the Tasmanian Government made any representations to the Federal Government seeking a contribution to the cost of developing shared pathways between Wynyard and Latrobe?

### **Answer:**

- 1. No.
- 2. No.

ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates 2017 - 2018

# **Infrastructure and Regional Development**

**Committee Question Number: 80** 

**Departmental Question Number:** SQ17-000308

**Program:** 1.1 Infrastructure Investment **Division/Agency:** Infrastructure Investment

**Topic: Breakdown of funding of Infrastructure Programs** 

**Proof Hansard Page:** Written (6 June 2017)

# Senator Rice, Janet asked:

What is the total grant funding within the Infrastructure portfolio for each year of the forwards (including the 2017-18 FY)?

What was the total grant funding for FY 13-14, 14-15, 15-16 and 16-17?

Could the above please be broken down both by financial year, funding stream (ie. Roads for Recovery, Infrastructure Investment Programme, Black Spot) AND project (where possible)?

### **Answer:**

Refer to the answer to Committee question number 69.

### ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates 2017 - 2018

### **Infrastructure and Regional Development**

**Committee Question Number: 81** 

**Departmental Question Number: SQ17-000309** 

**Program:** 1.1 Infrastructure Investment **Division/Agency:** Infrastructure Investment

Topic: Commitments to Infrastructure outside of the National Partnership Payments to

**States** 

**Proof Hansard Page:** Written (6 June 2017)

# **Senator Rice, Janet asked:**

Could the Department please list all infrastructure funding OUTSIDE the NPP grants to the states between FY 2013 and the final year of the forward estimates broken down by year, program and project (where possible) including:

- a. Equity investments
- b. Concessional Loans
- c. Direct payments to the states outside NPP grants
- d. Contingency funds

#### **Answer:**

The breakdown is provided in Attachment A.

### **Attachments**

 <u>Attachment A</u> – Breakdown of infrastructure investments provided outside the National Partnership Payments

# ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates 2017 - 2018

# **Infrastructure and Regional Development**

Attachment A: Table 1 - Breakdown of infrastructure investments provided outside the National Partnership Payments

Infrastructure Funding Element	Program	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	Total Equity and Debt Injections*	Total: 2013-14 to 20-21	Notes
Infrastructure Employment Projects^	Infrastructure Employment Projects^	1.6									1.6	
Asset Recycling Initiative	Asset Recycling Initiative		7.9	3.9	1,018.9	898.3	369.4				2,298.4	
Bathurst Flagstaff	Bathurst Flagstaff		0.3								0.3	
Centenary of Canberra	Centenary of Canberra		2.0	8.0							10.0	
Community Infrastructure Grants - Glen brook precinct upgrade	Community Infrastructure Grants - Glenbrook precinct upgrade	0.8									0.8	
ARTC - Implementation of the Advanced Train Management System	Infrastructure Investment Program		13.5			19.1	14.1		3.3		50.0	
ARTC - Inland Rail Preconstruction Works	Infrastructure Investment Program	1.3	29.6	55.9	73.2	97.5	32.8				290.3	
ARTC - Port Botany and Sydney Airport Program (Upgrade Port Botany Line Stage 3 and Metropolitan Freight Planning)	Infrastructure Investment Program		4.5	14.8	25.7	20.0	5.0		5.0		75.0	1

# ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates 2017 - 2018

# **Infrastructure and Regional Development**

Infrastructure Funding Element	Program	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	Total Equity and Debt Injections*	Total: 2013-14 to 20-21	Notes
ARTC - Port Botany road and rail access and handling improvements package	Infrastructure Investment Program	45.4	20.3								65.6	1
Equity Injection to the Oakajee Port Common User Facility	Infrastructure Investment Program					339.0				339.0	339.0	
Equity Injections in the Moorebank Intermodal Corporation*	Infrastructure Investment Program	*	*	*	*	*	*	*	*	365.0*	365.0	
Equity Injections to ARTC*	Infrastructure Investment Program	*	*	*	*	*	*	*	*	6,204.3*	6,204.3	2
WestConnex Concessional Loan	Infrastructure Investment Program	*	*	*	*	*	*	*	*	2,000.0*	2,000.0	
Interstate Road Transport transfers	Interstate Road Transport	75.1	73.6	70.0	71.0	71.0	71.0	71.0	71.0		573.7	
Latrobe Valley Economic Diversification	Latrobe Valley Economic Diversification	2.4	2.4	6.1							10.9	
Liveable Communities	Liveable Communities	9.2									9.2	

# ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates 2017 - 2018

# **Infrastructure and Regional Development**

Infrastructure Funding Element	Program	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	Total Equity and Debt Injections*	Total: 2013-14 to 20-21	Notes
Murray Darling Regional Economic Diversification Program	Murray Darling Regional Economic Diversification Program	2.6	19.9	27.5	22.7						72.6	
Research and Development works (rail projects)	Research and evaluation program	0.4	1.1	0.6	0.4						2.5	
Research and Development works (road projects)	Research and evaluation program	7.2	8.1	7.1	12.3	23.0	16.2				74.0	
Research and Development works (unallocated)	Research and evaluation program							10.0	10.0		20.0	
Roads to Recovery - Indian Ocean Territories	Roads to Recovery	0.4	0.2	0.6							1.1	
Supporting Drought Affected Communities	Supporting Drought Affected Communities			3.7	21.3	5.0	5.0				35.0	
Infrastructure Investments funded through Western Australian GST Equalisation Payments	WA GST Equalisation Payments		499.1	490.0	226.0						1,215.1	
Equity investment in Western Sydney Airport*	Western Sydney Airport	*	*	*	*	*	*	*	*	5,300*	n/a	

# ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates 2017 - 2018

# **Infrastructure and Regional Development**

Infrastructure Funding Element	Program	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	Total Equity and Debt Injections*	Total: 2013-14 to 20-21	Notes
Victorian Infrastructure Projects - funding held in the Contingency Reserve	Anticipated to be funded through Infrastructure Investment Program						201.5	110.7	149.0		461.2	
Wi-Fi for Trains	Wi-Fi for Trains					5.0	5.0	2.0			12.0	

ARTC refers to the Australian Government Rail Track Corporation

- 1. ARTC grant funded projects within NSW are included within the National Partnership Agreement on Land Transport Infrastructure Projects (NSW Schedule); however, payments are made to the ARTC directly.
- 2. The Government is providing equity injections into the ARTC to support: the Inland Rail Preconstruction Works; the Inland Rail Construction Phase; and the Adelaide to Tarcoola Rail Upgrade project.

<sup>\*</sup> Year-by-year profiles for a number of the projects have commercial sensitivity and are not available. Notes:

### ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates 2017 - 2018

### **Infrastructure and Regional Development**

**Committee Question Number: 82** 

**Departmental Question Number:** SQ17-000334

**Program:** 1.1 Infrastructure Investment **Division/Agency:** Infrastructure Investment

**Topic: Feasibility of F6** 

**Proof Hansard Page:** Written (8 June 2017)

# Senator Rhiannon, Lee asked:

- 1. Has the government received any requests from the NSW government, road builders, tollway companies or any corporate interests for any form of assistance to build or investigate the feasibility of building the F6 sometimes known as the M6 from Wollongong to Sydney's inner west or part of that proposed motorway?
- a. If yes, please provide details.

### **Answer:**

Yes. In 2015, the Department received a request for planning funding but this funding request was not granted.

### ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates 2017 - 2018

### **Infrastructure and Regional Development**

**Committee Question Number: 167** 

**Departmental Question Number:** SQ17-000345

**Program:** Infrastructure Investment

**Division/Agency:** Infrastructure Investment

**Topic: WA Infrastructure Package** 

**Proof Hansard Page:** 23-24 (22 May 2017)

# Senator Ludlam, Scott asked:

Senator LUDLAM: Could you describe for us whether or not that Murdoch Drive extension would hit that

\$100 million threshold?

Mr Mrdak: I will ask Ms Garbin to give you information, in relation to that project.

Senator LUDLAM: Much appreciated.

Ms Garbin: Yes, the Murdoch Activity Centre access roads will reach the threshold of \$100 million Australian

government contribution.

**Senator LUDLAM:** If you have a document there, and maybe just to save the committee time because we are about to break, are you able to table either the document you are reading from or something that is appropriate for the committee to see of each of the components of that omnibus funding request that would hit that \$100 million threshold? I guess that tells us a bit about how much back-end work your team will need to do.

Mr Mrdak: I will take that on notice, if you do not mind— Senator LUDLAM: Yes, if you can.

Mr Mrdak: but I will see what we can provide through the course of the morning.

Senator LUDLAM: I would be interested to know which are above and which are below that threshold.

**Mr Mrdak:** Certainly. The WA government has provided indicative estimates around each of those projects but with work yet to happen on a large number of them. I will take it on notice and come back to you as quickly as I can.

# **Answer:**

The Australian Government is providing \$1.6 billion under the WA Infrastructure Package. A breakdown of those projects receiving Australian Government funding above \$100 million is provided in <u>Attachment A</u>.

### **Attachments**

• <u>Attachment A</u> – WA Infrastructure Package (announced on 7 May 2017) – Table of projects receiving Australian Government funding above \$100 million.

# WA Infrastructure Package (announced on 7 May 2017) – Projects

		Additional Aust	tralian Govern	Additional	Total		
Project name	Project description	Infrastructure Investment Programme (\$m)	GST top up payment (\$m)	Total additional AG funding (\$m)	WA Govt funding (\$m)	additional funding (\$m)	
New projects:							
Metronet	Metronet is an upgrade and expansion of the Perth metropolitan rail network. The Australian Government funding of \$792 million will contribute towards:  • future Metronet projects, including the Thornlie and Yanchep line extensions, subject to positive assessment of business cases by Infrastructure Australia (\$700 million);  • business case development (\$26.8 million);  • Denny Avenue level crossing removal (\$49.6 million); and  • relocation of Brookfield Rail to Kenwick to facilitate the Bellevue Depot (\$15.6 million).	792.00	-	792.00	468.40	1,260.40	
Armadale Road and North Lake Road – Kwinana Freeway bridge and connecting roads	A new bridge over the Kwinana Freeway at Cockburn Central connecting Armadale Road with North Lake Road, and associated connecting roads and freeway ramps.	189.60	-	189.60	47.40	237.00	

### ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates 2017 - 2018

### **Infrastructure and Regional Development**

**Committee Question Number: 168** 

**Departmental Question Number:** SQ17-000347

**Program:** 1.1 Infrastructure Investment **Division/Agency:** Infrastructure Investment

Topic: \$1.6 billion underspend in Infrastructure Investment Program

**Proof Hansard Page:** 66 (22 May 2017)

# Senator Gallacher, Alex asked:

**Senator GALLACHER:** How much of the \$1.6 billion would be attributable to New South Wales and Perth? **Mr Thomann:** The amount that was moved out of 2016-17 for The Northern Road, as part of the Western Sydney Infrastructure Plan, was \$214 million. For the Perth Freight Link it was \$217 million, which had been estimated for 2016-17. It has to be moved to later years, because that is when the estimated expenditure will now occur in relation to the reallocated projects.

Senator GALLACHER: That leaves quite a substantial—

**Mr Thomann:** There are a number of other projects, some bigger than others—for instance, with the Tullamarine Freeway widening there was a movement of \$31.7 million. We can take it on notice and go through a list.

**Senator GALLACHER:** We would like to know what the \$1.6 billion of underspend is attributable to.

Mr Thomann: Yes.

### **Answer:**

Please refer to Committee question number 71.

### ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates 2017 - 2018

### **Infrastructure and Regional Development**

**Committee Question Number: 169** 

**Departmental Question Number: SQ17-000348** 

**Program:** 1.1 Infrastructure Investment **Division/Agency:** Infrastructure Investment **Topic: Midland Highway – Spring Hill Proof Hansard Page:** 87 (22 May 2017)

# Senator Brown, Carol asked:

**Senator CAROL BROWN:** It is my understanding that a part of the Midland Highway had to be redone. The section north of Spring Hill in 2015 had to be redone. It was completed, and then they had to go back and do it again.

Ms Leeming: I am not aware of that. I have a start date of 8 December 2014, and a finish date of 20 May 2015, but—

**Senator CAROL BROWN:** There has certainly been more work. In fact, it looked like it was starting all over again. Can you just check that for me, please, and just come back on notice? That would be fine.

**Senator BUSHBY:** If it has been, whether you had to put any money in or not.

Ms Leeming: Our funding commitment to the Midland Highway is stable.

Senator BUSHBY: Whatever has happened, I do not think it has cost the federal taxpayers any extra money.

**Senator CAROL BROWN:** That is great. But if it had to be redone, why?

### **Answer:**

The Midland Highway Safety Works Package – North of Spring Hill project was completed on 20 May 2015. The Tasmanian Government undertook some remediation works following a landslip, which are now complete. No additional cost was incurred by the Australian Government.

### ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates 2017 - 2018

### **Infrastructure and Regional Development**

**Committee Question Number: 170** 

**Departmental Question Number: SQ17-000349** 

**Program:** 1.1 Infrastructure Investment **Division/Agency:** Infrastructure Investment

Topic: Payments ahead of project milestones for 2016-17

**Proof Hansard Page:** 88 (22 May 2017)

# Senator Sterle, Glenn asked:

Senator McCARTHY: So at this stage we take it that you are looking at grant funding?

**Mr Mrdak:** Without seeing the projects, that is the intention, but it will depend on the projects coming forward. **Mr Thomann:** Certainly that \$600 million you can see in the forward estimates is grant funding. That is how it is accounted for.

**Senator STERLE:** Have any payments been made to states ahead of established project milestones in 2016-17? **Mr Thomann:** Not that I am aware, but I could take on notice to check. We have a lot of milestones, so I would want to check against all the milestones to make sure.

Senator STERLE: If you do not have that and no-one else at the table has got that info-

Mr Thomann: No.

**Senator STERLE:** that is okay.

### **Answer:**

Please refer to Committee question number 73.