

Senate Economics Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Budget Estimates

2017 - 2018

Division/Agency: Budget Policy Division

Question No: 162

Topic: Budget Glossy - Infrastructure Investment

Reference: Hansard page 83-84 (29 May 2017)

Senator: Ketter, Chris

Question:

Senator KETTER: I want to turn to the glossy on infrastructure investment—I am not sure if you have it in front of you—and take you to pages 10 and 11 of that document. The graphic references \$70 billion of infrastructure commitments. Are you able to provide a breakdown of each of the projects?

Senator Cormann: We might have to take that on notice.

Senator KETTER: Okay. In particular, could we get a breakdown on each of the projects, including year-by-year funding breakdowns?

Senator Cormann: We will take that on notice.

[...]

Senator KETTER: In relation to these projects, can you confirm how many were commenced prior to the 2013 election?

Senator Cormann: Yes, sure. I assume you are not claiming the Inland Rail or Western Sydney Airport or the new Victorian infrastructure? I suppose you are not claiming any of those, are you?

Senator KETTER: We are just looking to see how many were initiated under the 2013-14 budget. Does the figure include the Perth Freight Link and East West Link funding? There is a reference to \$1.2 billion and \$3 billion respectively.

Answer:

The following response is based on project information and funding profiles provided by the Department of Infrastructure and Regional Development:

Attachment A provides a breakdown of the \$70 billion commitment to transport infrastructure between 2013-14 and 2020-21 by Program as at the 2017-18 Budget. Schedules detailing the year-by-year profiles for individual projects funded under the Infrastructure Investment Program can be accessed on the website of the Department of Infrastructure and Regional Development:

<http://investment.infrastructure.gov.au/funding/projects/index.aspx>.

Of the close to 500 grant funded major land transport projects being delivered between 2013-14 and 2020-21, 55 projects had commenced construction works prior to September 2013. No equity funded projects had commenced. The 55 projects have a combined total Commonwealth investment of \$4.76 billion between 2013-14 and 2020-21, compared to the Government's total commitment to transport infrastructure of \$70 billion over this period.

Land transport projects funded under the Infrastructure Investment Program from 2013-14 were confirmed and funded through the 2013 MYEFO and subsequent Budgets. Through the

2013 MYEFO, the Government determined whether to continue existing projects announced in previous Budgets, as well as committing to new projects, which had not formally been agreed with jurisdictions nor had specific funding allocations determined prior to MYEFO. All projects were formalised through inclusion in the Schedules to the *National Partnership Agreement of Land Transport Infrastructure Projects* in October 2014.

Attachment A

As at 2017-18 Budget

Budget Year	FBO			BUDGET 2017-18 ESTIMATES					Total (\$m)
	2013-14 (\$m)	2014-15 (\$m)	2015-16 (\$m)	2016-17 (\$m)	2017-18 (\$m)	2018-19 (\$m)	2019-20 (\$m)	2020-21 (\$m)	
Payments to Support State Infrastructure Services (See table 1b below)	6,910.3	4,873.5	5,540.3	7,561.8	7,961.4	6,220.1	5,102.7	4,202.1	48,372.2
Contingency Reserve allocated to Vic IIP for Regional Rail Package						201.5	110.7	149.0	461.2
Financial Assistance Grants (Local Roads Component)	365.5	1,059.1	351.7	1,067.2	383.7	774.8	791.8	796.7	5,590.4
Payments to non-state entities [^]	54.7	77.2	79.0	111.9	179.8	68.2	18.6	10.3	599.8
Sub-total - grant payments for infrastructure	7,330.5	6,009.8	5,971.0	8,740.9	8,524.9	7,264.7	6,023.8	5,158.1	55,023.6
East-West Link contingent liability									3,000.0
Perth Freight Link contingent liability									1,160.0
Sub-total - Contingent Reserve and Contingent Liabilities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	4,160.0
Equity injections*	18.0	25.0	21.0	123.0	1,137.8	1,644.6	2,444.8	3,495.7	8,909.9
WestConnex Concessional Loan				617.2	721.8	575.9	85.1		2,000.0
Sub-total - non-grant investments	18.0	25.0	21.0	740.2	1,859.6	2,220.5	2,529.9	3,495.7	10,909.9
Grand total	7,348.5	6,034.8	5,992.0	9,481.1	10,384.4	9,485.1	8,553.8	8,653.8	70,093.5

[^] Includes grants to ARTC for projects; funding for planning, research and development funded directly by the Cth; and payments to non-state entities, such as directly to councils.

* The equity injections at 2017-18 Budget include: Inland Rail, Western Sydney Airport, Australian Rail Track Corporation works, Moorebank Intermodal and Oakajee port in Western Australia. Note that this is an aggregate profile as some exact profiles are commercial-in-confidence.

Table 1b - Breakdown of Payments to Support State Infrastructure Service

Budget Year	FBO			BUDGET 2017-18 ESTIMATES					Total (\$m)
	2013-14 (\$m)	2014-15 (\$m)	2015-16 (\$m)	2016-17 (\$m)	2017-18 (\$m)	2018-19 (\$m)	2019-20 (\$m)	2020-21 (\$m)	
Infrastructure Investment Program (Note 1)	6,818.6	4,268.3	4,931.1	6,202.0	6,963.7	5,751.4	5,029.7	4,131.2	44,096.1
Asset Recycling Initiative (including SA Energy Projects)		7.9	3.9	1,018.9	916.6	387.7	0.0	0.0	2,335.0
WA GST Equalisation grants		499.1	490.0	226.0	0.0	0.0	0.0	0.0	1,215.1
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	2.4	2.4	6.1	0.0	0.0	0.0	0.0	0.0	10.9
Murray-Darling Regional Economic Diversification Program	2.6	19.9	27.5	22.7	0.0	0.0	0.0	0.0	72.6
Supporting drought affected communities program			3.7	21.3	5.0	5.0	0.0	0.0	35.0
Additional minor projects and programs (Note 2)	11.6	2.3	8.0	0.0	5.0	5.0	2.0	0.0	33.9
Total of Payments to Support State Infrastructure Services	6,910.3	4,873.5	5,540.3	7,561.8	7,961.4	6,220.1	5,102.7	4,202.1	48,372.2