

Rural & Regional Affairs and Transport Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates 2014 - 2015

Infrastructure and Regional Development

Question no.: 60

Program: n/a

Division/Agency: Infrastructure Australia

Topic: NSW tolling strategy

Proof Hansard Page: 66 (24 February 2015)

Senator Cameron, Doug asked:

Senator CAMERON: Is the tolling strategy unchanged?

Mr Alchin: We will have to take that one on notice.

Senator CAMERON: So you do not know about the tolling strategy?

Mr Alchin: There was economic modelling and financial modelling considered as part of the original business case, but I will have to take the details on notice.

Senator CAMERON: Have you factored in the tolling strategies in terms of the cost of the project?

Mr Alchin: I will have to take that on notice.

Senator CAMERON: Have you really not done that, or is it that just do not know?

Mr Alchin: I will just have to take that on notice. We have assessed the economic costs and we have had a look, also, at some of the financials, but I will take the details on notice.

Answer:

The tolling strategies have been factored into the NSW government's business case and taken into account in Infrastructure Australia's analysis of the project.

Rural & Regional Affairs and Transport Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE
Additional Estimates 2014 - 2015
Infrastructure and Regional Development

Question no.: 61

Program: n/a

Division/Agency: Infrastructure Australia

Topic: NSW AG report – modelling

Proof Hansard Page: 67 (24 February 2015)

Senator Cameron, Doug asked:

Senator CAMERON: Do you have similar concerns to the Auditor-General that the traffic data raises questions about the underlying quality of the modelling?

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

Answer:

The robustness of the traffic data incorporated into the WestConnex Business Case was considered by Infrastructure Australia in its assessment. The WestConnex Assessment brief is available on the Infrastructure Australia website at www.infrastructureaustralia.gov.au.

Rural & Regional Affairs and Transport Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates 2014 - 2015

Infrastructure and Regional Development

Question no.: 62

Program: n/a

Division/Agency: Infrastructure Australia

Topic: Northern Australia white paper

Proof Hansard Page: 80 (24 February 2015)

Senator McLucas, Jan asked:

Senator McLUCAS: Have you been requested, either through your minister or in any other way, to provide input into the Northern Australia white paper?

Mr Alchin: I do not recall, but I will take that on notice if I may.

Answer:

Infrastructure Australia (IA) was asked to prepare, and submit to the Government, a comprehensive Audit of critical infrastructure in Northern Australia. The Northern Australia Infrastructure Audit is complete, and has been provided to the Australian Government.

IA understands the Audit will be used to inform development of the Northern Australia white paper. IA has not otherwise been requested to provide input to the Northern Australia white paper.

Rural & Regional Affairs and Transport Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE
Additional Estimates 2014 - 2015
Infrastructure and Regional Development

Question no.: 63

Program: n/a

Division/Agency: Infrastructure Australia

Topic: Hann Highway

Proof Hansard Page: 80 (24 February 2015)

Senator McLucas, Jan asked:

Senator McLUCAS: Yes. On a different matter: has Infrastructure Australia provided any advice to government, or to Northern Australia Taskforce, about the Hann Highway?

Mr Alchin: I will have to take that one on notice. Paul, you don't recall anything?

Mr Roe: I am not aware of a public submission.

Answer:

The Hann Highway was considered as part of the Northern Australia Infrastructure Audit.

Rural & Regional Affairs and Transport Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates 2014 - 2015

Infrastructure and Regional Development

Question no.: 64

Program: n/a

Division/Agency: Infrastructure Australia

Topic: Reports/ research on IA website

Proof Hansard Page: 81 (24 February 2015)

Senator Gallacher, Alex asked:

Senator GALLACHER: I will get to the audit, but have you published anything on the website in the last 12 months?

Mr Alchin: I would have to take that on notice, but I do not recall—

Senator GALLACHER: What about reports or research published by IA on its website in the previous 12 months—from 2013 to 2014?

Mr Alchin: There would have been material published, but I would have to take that on notice.

Answer:

Research reports published on the Infrastructure Australia website in 2013 and 2014, after being noted or approved by the then Infrastructure Australia Council are:

- Review of Infrastructure Debt Capital Market Financing;
- Urban Transport Strategy; and
- Australia's Public Infrastructure – Update Paper, Balance Sheet Impacts of Sell to Build.

Rural & Regional Affairs and Transport Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates 2014 - 2015

Infrastructure and Regional Development

Question no.: 65

Program: n/a

Division/Agency: Infrastructure Australia

Topic: CEO shortlist

Proof Hansard Page: 82 (24 February 2015)

Senator Gallacher, Alex asked:

Senator GALLACHER: Is there a shortlist?

Mr Alchin: That would be my understanding, but I am not across the detail.

Senator GALLACHER: So we may be at the shortlist stage. Is the minister's office aware of the state of the recruitment process?

Senator Cash: I would need to take that on notice.

Senator GALLACHER: So we do not know any of the candidates? Does the assistant minister or the minister or anyone in their offices not know any of the names?

Senator Cash: Again, I would take that on notice.

Answer:

The Infrastructure Australia board ran the selection process for the Chief Executive.

The Minister's office and the Assistant Minister's office were informed of the name of the successful candidate prior to appointment.

The Infrastructure Australia board publicly announced on 5 March 2015 that Mr Philip Davies was appointed to the position of Chief Executive Officer. Mr Davies will commence work in the position on 20 April 2015.

Rural & Regional Affairs and Transport Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE
Additional Estimates 2014 - 2015
Infrastructure and Regional Development

Question no.: 66

Program: n/a

Division/Agency: Infrastructure Australia

Topic: Board meetings

Proof Hansard Page: 82 (24 February 2015)

Senator Gallacher, Alex asked:

Senator GALLACHER: Could we have how many meetings of the IA board there have been since October, and what were the dates?

Mr Alchin: I think there have been five meetings, but I would need to take that on notice.

Senator GALLACHER: Five meetings—

Mr Alchin: I will take that on notice.

Answer:

As at 24 February 2015, there have been seven meetings of the Infrastructure Australia Board:

- 3 September 2014;
- 17 September 2014;
- 23 October 2014;
- 28 October 2014;
- 10 December 2014;
- 8 January 2015;
- 4 February 2015;

Rural & Regional Affairs and Transport Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates 2014 - 2015

Infrastructure and Regional Development

Question no.: 67

Program: n/a

Division/Agency: Infrastructure Australia

Topic: Audit cost

Proof Hansard Page: 83 (24 February 2015)

Senator Gallacher, Alex asked:

Senator GALLACHER: We were advised that the audit would be about \$4 million. Is there any increase in the cost now that these matters are rolling along—intergenerational report and that?

Mr Alchin: I would have to take that on notice, because it is split between costs for the northern audit and the national audit and 2013-14 versus 2014-15.

Answer:

The integration of the material from the intergenerational report material only involved staff time at Infrastructure Australia.

Rural & Regional Affairs and Transport Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE
Additional Estimates 2014 - 2015
Infrastructure and Regional Development

Question no.: 68

Program: n/a

Division/Agency: Infrastructure Australia

Topic: Ministers' directions to IA

Proof Hansard Page: 83 (24 February 2015)

Senator Gallacher, Alex asked:

Senator GALLACHER: In terms of ministers' directions, how many directions has the minister issued to Infrastructure Australia under section 6 of the act?

Mr Alchin: I will have to take that on notice.

Senator GALLACHER: Does that mean you do not know the exact number? Or you do not know the answer?

Mr Alchin: I just do not know the exact number.

Senator GALLACHER: But there have been some directions.

Mr Alchin: I will take that on notice.

Answer:

No directions have been issued by the Minister under Section 6 of the Infrastructure Australia Act.

Rural & Regional Affairs and Transport Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE
Additional Estimates 2014 - 2015
Infrastructure and Regional Development

Question no.: 69

Program: n/a

Division/Agency: Infrastructure Australia

Topic: IA Board

Proof Hansard Page: 84 (24 February 2015)

Senator Cameron, Doug asked:

Senator GALLACHER: Has the minister met with the new board?

Mr Alchin: I understand he has had meetings with the chairman, but I will take that on notice.

Answer:

The Minister has met with the Chairman and is scheduled to meet with the new Board.

Rural & Regional Affairs and Transport Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates 2014 - 2015

Infrastructure and Regional Development

Question no.: 70

Program: n/a

Division/Agency: Infrastructure Australia

Topic: Caravel review

Proof Hansard Page: 86 (24 February 2015)

Senator Back, Chris asked:

Senator BACK:... The concern I have is that, with the billions of dollars now in major projects either underway or in the pipeline, what, if any, of the Caravel findings are going to find their way into the oversight of projects, particularly as they relate to governance rather than project management? That is the essence of my concern and my question.

Mr Alchin: I will make a couple of high-level observations. Firstly, the governance and the project delivery issues are important ones for Infrastructure Australia. Last year, the Productivity Commission report on infrastructure identified issues around project selection and delivery that are important. We are looking at governance issues as part of the infrastructure audit, and I expect there will be a treatment of governance issues in the audit report. Our assessment of the framework for projects does deal with delivery issues and the like, and governance is part of that. Beyond that, if I may, I will take the question on notice to give you a more specific response. I can say unequivocally that those issues are being addressed.

Senator BACK: It seems that the governance question really goes to highly experienced and possibly either retiring or semiretired people who have themselves been top project managers, are no longer looking to work the hours that a project manager has to work, but come in and identify those who are doing well and those who require a little bit of tweaking. Again, I would be very keen on your views, perhaps on notice, as to whether or not in the allocation of funding governments should be having a role to very strongly propose and, indeed, insist that there be those standards of governance that Caravel have identified.

Mr Alchin: If I may, I will take that on notice. It is an important issue.

Answer:

Project governance will be considered by Infrastructure Australia in its Infrastructure Audit and in the 15 year Plan.

Rural & Regional Affairs and Transport Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates 2014 - 2015

Infrastructure and Regional Development

Question no.: 71

Program: n/a

Division/Agency: Infrastructure Australia

Topic: WestConnex Transport Modelling

Proof Hansard Pages: 88-89 (24 February 2015)

Senator Rice, Janet asked:

Senator RICE: I was wondering whether you may be able to share one aspect of that transport modelling, and you might have to take it on notice—looking at the mode share that is forecast for various travel segments over time, what the model shows the public transport mode share to be.

Mr Alchin: Sorry, Senator, just to be clear—is this in relation to East West or WestConnex?

Senator RICE: No, WestConnex. It is a big issue that the transport modelling is not available to the public. I think it is a very poor way of planning infrastructure for that not to be able to be reviewed by the wider community.

Mr Alchin: I think we would have to take that one on notice, if we may.

Senator RICE: Certainly, a key criticism of the transport modelling that underpins the East West project is that the public transport mode share is lower than what it currently is—that is, the forecast out to 2031 that you are only going to have a nine per cent public transport mode share across Melbourne. I am interested to know whether the WestConnex transport modelling similarly has an unreasonably low level of public transport mode share out in the foreseeable future.

Mr Alchin: We would need to have a look at the details of the material and get back to you, if we may.

Senator RICE: Could you put that on notice and see what you could give to us.

...

Senator RICE: I know we are short for time. Perhaps I could put that on notice—just what methodologies you are looking at, and what are the various aspects you are looking at in that review.

...

Senator RICE: Will you be providing a proposed methodology or will you propose guidelines that proponents would have to meet in order to be assessed by you?

Mr Alchin: I expect we will, but I will take that on notice. I am mindful of the comments that Ms O'Connell made before about the material that has been released by the department.

Answer:

Infrastructure Australia has always received information from the States on a confidential basis. The provision of the requested documents would not be in the public interest as their disclosure would damage relations between Infrastructure Australia and the States and compromise the ability to ensure optimum value for public expenditure on infrastructure projects.

Rural & Regional Affairs and Transport Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates 2014 - 2015

Infrastructure and Regional Development

Question no.: 72

Program: n/a

Division/Agency: Infrastructure Australia

Topic: Quarterly update

Proof Hansard Page: 89 (24 February 2015)

Senator Rice, Janet asked:

Mr Alchin: Our assessments of projects are updated on a quarterly basis as project appraisals are undertaken.

Senator RICE: When do you expect the next update will be?

Mr Alchin: Later this year. I do not have the precise details, but I will happily come back to you if that is of any assistance.

Answer:

Project assessments are published on a quarterly basis.

The Infrastructure Priority List is being updated as part of the Australian Infrastructure Plan. The Australian Infrastructure Plan is expected to be released later this year.

Rural & Regional Affairs and Transport Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates 2014 - 2015

Infrastructure and Regional Development

Question no.: 73

Program: n/a

Division/Agency: Infrastructure Australia

Topic: East West Link Stage 2 and WestConnex

Proof Hansard Page: 90 (24 February 2015)

Senator Sterle, Glenn asked:

Senator STERLE: What about for East West Link stage 2?

Senator STERLE: What about for WestConnex—any stage?

Mr Alchin: We had looked at the East West Link and WestConnex. It was on our priority list at the time. I would have to take on notice exactly where it was on the priority list.

Answer:

At the time of the release of the 2014-15 Australian Government budget, Infrastructure Australia was reviewing project material provided by the Victorian Government contained in a Draft Interim Business Case for East West Link Stage 2 and a Draft Project Summary Report.

At the time of the 2014-15 Australian Government budget, the WestConnex project was included on the Infrastructure Priority List at Early Stage.

Rural & Regional Affairs and Transport Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates 2014 - 2015

Infrastructure and Regional Development

Question no.: 74

Program: n/a

Division/Agency: Infrastructure Australia

Topic: Perth Freight Link

Proof Hansard Page: 90 (24 February 2015)

Senator Sterle, Glenn asked:

Senator STERLE: Well done! What about the Perth Freight Link?...

Mr Roe: There are components of the Perth Freight Link which are on the priorities list, so—

Senator STERLE: Did you complete any assessment before money was allocated?

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

Answer:

The Leach Highway/High Street upgrade component of the Perth Freight Link project was assessed by Infrastructure Australia and included on the Infrastructure Priority List at Threshold.

Rural & Regional Affairs and Transport Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates 2014 - 2015

Infrastructure and Regional Development

Question no.: 75

Program: n/a

Division/Agency: Infrastructure Australia

Topic: Northern Australia

Proof Hansard Page: Written

Senator Rice, Janet asked:

1. To inform the Northern Australia audit, did Infrastructure Australia conduct any economic/financial feasibility or other assessments of the proposed water and other infrastructure outlined in the Agricultural Competitiveness Green Paper?
2. What is Infrastructure Australia's opinion of the ANZ Mountain to Molehill – Agriculture in Northern Australia Report (2014) findings that large-scale water/irrigation infrastructure in Northern Australia is not economically viable but small scale mosaic grazing is? Will the findings of the ANZ report inform the audit?

Answer:

1. No. Economic/financial feasibility studies of individual project proposals were beyond the scope of the Northern Australia Audit.
2. The ANZ Mountain to Molehill – Agriculture in Northern Australia Report (2014) was published in late November 2014, after the research and analysis underpinning the IA Northern Australia Audit had been completed. As such, the ANZ report did not inform the Audit.

Rural & Regional Affairs and Transport Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates 2014 - 2015

Infrastructure and Regional Development

Question no.: 76

Program: n/a

Division/Agency: Infrastructure Australia

Topic: WestConnex

Proof Hansard Page: Written

Senator Rhiannon, Lee asked:

1. On what date did Infrastructure Australia begin its assessment of the WestConnex business case?
2. On what date was this concluded?
3. On what date, and at what time was the 2014-2015 Assessment Brief of the WestConnex business case uploaded and made publicly available on the Infrastructure Australia website?
4. How many projects have been awarded Commonwealth funding while still being categorised as “Early Stage” by Infrastructure Australia, since Infrastructure Australia’s inception? What were these projects and how much funding was awarded to them?
5. What interest rate is being charged on the \$2 billion concessional loan provided by the Commonwealth to the NSW Government for construction of the WestConnex?
6. When was Infrastructure Australia notified the NSW Government was preparing a new business case for the WestConnex incorporating the new proposed North-South link?
7. Will Infrastructure Australia be reviewing this business case? When?
8. Has Infrastructure Australia estimated the BCR for the WestConnex project with capital costs at P90? If so, what is the BCR under these conditions? If not, why not?
9. What other projects assessed by Infrastructure Australia have estimated capital costs at P50? Have any of these projects received capital funding from the Commonwealth?
10. What is the BCR of the WestConnex project individually for each of Stage 1 and Stage 2?
11. What is the cost of the WestConnex estimated by Infrastructure Australia at P90? If Infrastructure Australia has no estimated this cost why not?
12. What were the “time constraints for the estimation of costs” referenced in the 2014-15 Assessment Brief of the WestConnex business case on page 5?
13. What other projects assessed by Infrastructure Australia did not model induced trips?
14. What other projects awarded funding by the Commonwealth did not model induced trips?
15. Is the “major scheme in Victoria” referenced on page 5 of the 2014-15 Assessment Brief of the WestConnex business case the East-West motorway?
16. What was the specific impact of induced trips in modelling undertaken for that “major scheme”? What impact did it have on the expected costs and benefits of the project and the BCR?
17. Has Infrastructure Australia estimated the impact of the WestConnex’s BCR with the inclusion of induced trips?
18. Can Infrastructure Australia quantify the “degree of confidence” it has that the BCR for the WestConnex will remain positive once induced trips are included and the capital costs are adjusted for P90?
19. What is the BCR of the WestConnex project factoring in induced trips and capital costs at P90 as estimated by Infrastructure Australia? If Infrastructure Australia has not estimated the BCR why not?
20. Does the business case of the WestConnex assessed by Infrastructure Australia include estimations of revenue (ie. tolls)? What are these estimations?
21. How can Infrastructure Australia rely on the 1.8:1 BCR for the WestConnex as the basis for moving the project into the “threshold” category when in the same document Infrastructure Australia proposes an update to the business case based on the factoring in of induced trips and capital costs at P90?

Rural & Regional Affairs and Transport Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates 2014 - 2015

Infrastructure and Regional Development

Answer:

1. June 2014.
2. 10 December 2014.
3. The afternoon of 23 February 2015.
4. Infrastructure Australia does not make funding decisions.
5. The WestConnex concessional loan is administered by the Department of Infrastructure and Regional Development. The Department advises that over the life of the loan, it is expected to achieve a return similar to the long term Australian Government bond rate.
6. On 10 June 2014 the NSW Premier publicly announced that he had directed the WestConnex Delivery Authority to bring forward a business case to add two new WestConnex extensions in the South linking towards Sutherland Shire and the Illawarra and North linking towards the ANZAC Bridge and Victoria Road.
7. Yes, when it is provided by the NSW government.
8. No. Infrastructure Australia evaluates the Cost Benefit Analysis developed by proponents. These evaluations do not involve Infrastructure Australia preparing its own estimates of the Benefit Cost Ratios of the projects.
9. (a) A significant number of projects have been presented to Infrastructure Australia with the equivalent of P50 capital cost estimates because the development of probabilistic based cost estimates depends on the infrastructure project's stage of project development.
(b) Infrastructure Australia does not make funding decisions.
10. Separate BCR calculations for each individual stage of the project have not been provided to Infrastructure Australia.
11. Infrastructure Australia evaluates the Cost Benefit Analysis developed by proponents.
12. The project submission material from the NSW Government referred to time constraints in preparing the cost estimate. The details of the constraints were not stated.
13. A significant number of projects evaluated by Infrastructure Australia have not included induced trips because accurate measurement of the impact of induced trips on project benefits is a relatively recent development in transport modelling in Australia. Modelling induced trips is also commensurate with the size of the project.
14. Infrastructure Australia does not make funding decisions.
15. Yes.
16. The modelling of induced demand had a material impact on net benefits of a major scheme in Victoria.
17. Infrastructure Australia evaluates the Cost Benefit Analysis developed by proponents. This evaluation does not involve Infrastructure Australia preparing its own estimate of the Benefit Cost Ratio of the project.
18. Infrastructure Australia evaluates the Cost Benefit Analysis developed by proponents. These evaluations do not involve Infrastructure Australia quantifying the degree of confidence in regards to the net benefits of a project.
19. Infrastructure Australia evaluates the Cost Benefit Analysis developed by proponents. This evaluation does not involve Infrastructure Australia preparing its own estimate of the Benefit Cost Ratio of the project.
20. Infrastructure Australia has always received such information from the States on a confidential basis. The provision of the requested documents at this time would not be in the public interest as their disclosure would damage good working relations between Infrastructure Australia and the States and compromise the ability to ensure optimum value for public expenditure on infrastructure projects.
21. Australia assessment methodology allows for projects to be categorised at Threshold even when the Cost Benefit Analysis is subject to further refinements. Infrastructure Australia's decision is based on information available at a point in time. This does not obviate the need for the further development of project information as appropriate.

Rural & Regional Affairs and Transport Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates 2014 - 2015

Infrastructure and Regional Development

Question no.: 77

Program: n/a

Division/Agency: Infrastructure Australia

Topic: NSW Coalition Government Infrastructure Plan

Proof Hansard Page: Written

Senator Sterle, Glenn asked:

1. Has IA been asked to evaluate the projects proposed by the NSW Government in its Rebuilding NSW initiative announced in June 2014?
2. What new projects have been submitted for evaluation by the NSW Government since June 2014?

Answer:

1. Infrastructure Australia expects to be provided with business cases for the projects proposed in the Rebuilding NSW initiative that are anticipated to receive Australian Government funding of greater than \$100 million once they are developed.
2. Between June 2014 and 23 March 2015, Infrastructure Australia has received project information in relation to the following NSW Government projects: WestConnex, the Western Sydney Infrastructure Plan, NorthConnex and the M1 Productivity Package.

Rural & Regional Affairs and Transport Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates 2014 - 2015

Infrastructure and Regional Development

Question no.: 78

Program: n/a

Division/Agency: Infrastructure Australia

Topic: East West

Proof Hansard Page: Written

Senator Sterle, Glenn asked:

1. On the last occasion, you indicated that you received the full business case from the Victorian Government on July 7 2014. To what point did Infrastructure Australia progress on the assessment of the business case:
 - a. For Stage 1?
 - b. For Stage 2?
2. Has Infrastructure Australia ever made a recommendation to the Government on the merit of Stage 1?
3. If yes, what was it?
4. Is there an IA assessed BCR for Stage 1?
 - a. If no, why did the Department recommend an advance payment?
 - b. On what date was the recommendation made?
 - c. If yes, what is it?
5. Has Infrastructure Australia ever made a recommendation to the Government on the merit of Stage 2?
6. Is there an IA assessed BCR for Stage 2?
 - a. If no, why did the Department recommend an advance payment?
 - b. On what date was the recommendation made?
 - c. If yes, what is it?
7. What is Infrastructure Australia's current position on Stage 1/Stage 2?

Answer:

1.
 - a. Infrastructure Australia staff were following up with the Victorian Government on the broader corridor analysis taking into account East West Link Stage 1 and 2 and the CityLink Tullamarine Widening project before finalising the assessment.
 - b. Infrastructure Australia staff had undertaken an analysis of the preliminary material provided by the Victorian Government and were awaiting the business case which was under development.
2. The East West Link Stage 1 was listed at Real Potential in the Infrastructure Priority List contained in Infrastructure Australia's June 2013 National Infrastructure Plan. The Plan was published on Infrastructure Australia's website.
3. Real Potential.
4. The BCR is subject to further evaluation.
 - a. Payment was a decision of government.
 - b. N/A.
 - c. N/A.
5. No.
6. No.
 - a. Payment was a decision of government.
 - b. N/A.
 - c. N/A.
7. Stage 1 is rated at Real Potential on Infrastructure Australia's Infrastructure Priority List and is subject to further consideration. Stage 2 is under consideration.

Rural & Regional Affairs and Transport Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates 2014 - 2015

Infrastructure and Regional Development

Question no.: 79

Program: n/a

Division/Agency: Infrastructure Australia

Topic: Publication of research on website

Proof Hansard Page: Written

Senator Sterle, Glenn asked:

1. What reports or research has been published by IA on its website in the twelve months to today (February 23, 2015)?
2. What reports or research has been published by IA on its website in the previous twelve months (to February 23, 2014)?

Answer:

See answer to Question 64.

Rural & Regional Affairs and Transport Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates 2014 - 2015

Infrastructure and Regional Development

Question no.: 80

Program: n/a

Division/Agency: Infrastructure Australia

Topic: Major projects

Proof Hansard Page: Written

Senator Sterle, Glenn asked:

1. You are aware of the Government's election commitment that IA will "regularly publish cost-benefit analyses for all projects being considered for Commonwealth support or investment" (Coalition policy to Deliver the Infrastructure for the 21st Century", released September 5, 2013, p 2).
2. For each of the above projects, is there an IA published cost-benefit analysis?
 - a. East West Link in Victoria
 - b. Toowoomba Second Range Crossing in Queensland
 - c. Perth Freight Link in WA
 - d. Darlington Interchange on South Road Adelaide

Answer:

1. Infrastructure Australia undertakes project assessments in accordance with the *Infrastructure Australia Act 2008*.
2. The project assessments for the projects listed are subject to further evaluation by Infrastructure Australia.

Rural & Regional Affairs and Transport Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates 2014 - 2015

Infrastructure and Regional Development

Question no.: 81

Program: n/a

Division/Agency: Infrastructure Australia

Topic: Assessed projects

Proof Hansard Page: Written

Senator Sterle, Glenn asked:

What projects has IA published a cost-benefit analysis for since September 2013? Please list them.

Answer:

Infrastructure Australia has published project assessments on the following projects:

- CityLink Tullamarine Widening Project; and
- WestConnex.

Rural & Regional Affairs and Transport Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates 2014 - 2015

Infrastructure and Regional Development

Question no.: 82

Program: n/a

Division/Agency: Infrastructure Australia

Topic: Published IA Assessments

Proof Hansard Page: Written

Senator Sterle, Glenn asked:

Which of the following projects had assessments published by IA on its website on May 14, 2014?

1. East West Link in Victoria
2. WestConnex in NSW
3. Toowoomba Second Range Crossing in Queensland
4. Perth Freight Link in WA
5. Darlington Interchange on South Road Adelaide
6. Western Sydney Infrastructure Package

Answer:

On 14 May 2014, the Infrastructure Priority List included the following projects: East West Link Stage 1, WestConnex, the Toowoomba Second Range Crossing, the Leach Highway Fremantle Upgrade component of the Perth Freight Link and the South Road upgrade. An assessment for the Leach Highway Fremantle Upgrade component of the Perth Freight Link was available on the Infrastructure Australia website on 14 May 2014.

Rural & Regional Affairs and Transport Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates 2014 - 2015

Infrastructure and Regional Development

Question no.: 83

Program: n/a

Division/Agency: Infrastructure Australia

Topic: Perth Freight Link

Proof Hansard Page: Written

Senator Sterle, Glenn asked:

We note that as of 20 October 2014 (Answers to Questions on Notice, Supplementary Budget Estimates – Question 156) that Infrastructure Australia was not assessing the Perth Freight Link.

Also, your Project Assessments page on the IA website, updated on Thursday February 19, makes no reference to the Perth Freight Link.

1. Has IA been asked to assess the project at any time?
2. If yes, when is it expected to be completed?
3. What analysis has IA undertaken of the timetable for the development of alternative container facilities in the Fremantle Port's Outer Harbour?

Answer:

1. Yes.
2. As at 24 February 2015 the business case was being evaluated by Infrastructure Australia. Infrastructure Australia has requested additional information from the Western Australian Government in relation to the project. Depending on the timing of the receipt of the additional information, Infrastructure Australia expects to complete its evaluation over the coming months.
3. The development of container facilities in the Fremantle Port's Outer Harbour is included in the business case for the project which is currently being evaluated by Infrastructure Australia.

Rural & Regional Affairs and Transport Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates 2014 - 2015

Infrastructure and Regional Development

Question no.: 84

Program: n/a

Division/Agency: Infrastructure Australia

Topic: Juturna consulting report

Proof Hansard Page: Written

Senator Sterle, Glenn asked:

1. I refer to the Juturna Consulting Report that was funded by taxpayers to the tune of \$59,400. Are you familiar with that?
2. Which agency of Government paid Jurturna for its work?
3. If IA has paid for this work, when will this \$60,000 piece of taxpayer-funded work be published on the IA website?
4. If IA has paid for this work, when will this \$60,000 piece of taxpayer-funded work be put out for community consultation and feedback?
5. If IA has paid for this work, when will this \$60,000 piece of taxpayer-funded work be discussed by the IA Board?

Answer:

1. Infrastructure Australia is aware of the report.
2. Infrastructure Australia.

3-5. Refer to media statement on the Infrastructure Australia website: Juturna Consulting Report dated 22 July 2014, by the then Interim Infrastructure Coordinator.

Rural & Regional Affairs and Transport Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates 2014 - 2015

Infrastructure and Regional Development

Question no.: 85

Program: n/a

Division/Agency: Infrastructure Australia

Topic: Asset Recycling

Proof Hansard Page: Written

Senator Sterle, Glenn asked:

1. Given IA's answer to written question 153 from October, what assurances exist in the Asset Recycling Initiative to protect the interests of customers of privatised entities from potential fire sales?
2. In the Infrastructure Australia section of the Annual Report 2013-4, IA indicates it is developing a policy on Asset Recycling focussed on the output of the coming audit and 15 year plan. Can you elaborate? (see p. 117 of DIRD AR)

Answer:

1. This question would be better directed to the Australian Treasury.
2. Infrastructure Australia's Australian Infrastructure Audit and 15 year plan will outline how Asset Recycling can contribute to improving the management and operation of economic infrastructure and potentially provide a funding source for new nationally significant infrastructure.

Rural & Regional Affairs and Transport Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates 2014 - 2015

Infrastructure and Regional Development

Question no.: 86

Program: n/a

Division/Agency: Infrastructure Australia

Topic: Proposals

Proof Hansard Page: Written

Senator Sterle, Glenn asked:

1. Has IA received any proposals for the following since we last asked on October 20 (see written answers 156 and 160):
 - a. Energy project proposals?
 - b. Water project proposals?
 - c. Dams proposals?
 - d. Communications project proposals?
 - e. Transport project proposals?
2. If yes, to any, what is the:
 - a. name of the project;
 - b. details of the proponent; and
 - c. estimated capital cost of the proposed project.
3. For each project referred to, have any been evaluated as nationally significant infrastructure?
4. For each project referred to, have any been evaluated as not nationally significant infrastructure? Why?

Answer:

1.
 - a. No.
 - b. Yes.
 - c. No.
 - d. No.
 - e. Yes.

| | |
|---|---|
| 2a. Droughtmaster. 2b. Plains Water Ltd. 2c. \$104 million. 3. The project is currently being evaluated by IA staff. 4. The project is currently being evaluated by IA staff. | 2a. NorthConnex. 2b. NSW Government. 2c. \$3.1 billion. 3. The project is currently being evaluated by IA staff. 4. The project is currently being evaluated by IA staff. |
| 2a. Bringelly Road Upgrade Stage 1. 2b. NSW Government. 2c. \$194.27 million. 3. The project is currently being evaluated by IA staff. 4. The project is currently being evaluated by IA staff. | 2a. M1 Productivity Package. 2b. NSW Government. 2c. \$345 million. 3. The project is currently being evaluated by IA staff. 4. The project is currently being evaluated by IA staff. |
| 2a. Upgrade of Northern Road Stage 1. 2b. NSW Government. 2c. \$82.7 million. 3. The project is currently being evaluated by IA staff. 4. The project is currently being evaluated by IA staff. | 2a. Princess Highway West - Winchelsea to Colac Duplication. 2b. Victorian Government. 2c. \$363.5 million. 3. The project is currently being evaluated by IA staff. 4. The project is currently being evaluated by IA staff. |
| 2a. St Albans Rail Grade Separation. 2b. Victorian Government. 2c. \$222.9 million. 3. The project is currently being evaluated by IA staff. | 2a. Gateway Motorway North. 2b. Queensland Government. 2c. \$1,162 million. 3. The project is currently being evaluated by IA staff. |

Rural & Regional Affairs and Transport Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates 2014 - 2015

Infrastructure and Regional Development

| | |
|--|--|
| 4. The project is currently being evaluated by IA staff. 2a. Cape York Regional Infrastructure Package Peninsula Development Road (Stage 1 Early Works Package). 2b. Queensland Government . 2c. \$143.8 million. 3. The project is currently being evaluated by IA staff. 4. The project is currently being evaluated by IA staff. | 4. The project is currently being evaluated by IA staff. 2a. Perth Freight Link. 2b. WA Government. 2c. \$1.82 billion. 3. The project is currently being evaluated by IA staff. 4. The project is currently being evaluated by IA staff. |
| 2a. Tasmanian Freight Rail Revitalisation. 2b. Tasmanian Government. 2c. \$240 million. 3. The project is currently being evaluated by IA staff. 4. The project is currently being evaluated by IA staff. | 2a. Project Coolibah. 2b. Kansas Holding Pty Ltd. 2c. \$5 billion. 3. The project is currently being evaluated by IA staff. 4. The project is currently being evaluated by IA staff. |

Rural & Regional Affairs and Transport Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates 2014 - 2015

Infrastructure and Regional Development

Question no.: 87

Program: n/a

Division/Agency: Infrastructure Australia

Topic: Statement of Expectations

Proof Hansard Page: Written

Senator Sterle, Glenn asked:

1. Has IA developed a “Statement of Intent” in response to the Government’s Statement of Expectations yet (Statement of Expectations said by end of 2014)?
2. When will this be made public?
3. Has IA endorsed a Corporate Plan?
4. How does the Minister’s Statement of Expectations interact with the IA Corporate Plan to be developed under s 39B of the Act?
5. How is the Board consulting with other stakeholders under section 39B(6)? That is:
 - a. State Governments?
 - b. Local Government?
 - c. Commercial and industrial entities?
 - d. Investors in, and owners of, infrastructure?
6. Which other organisations is IA consulting with about the Corporate Plan?
7. Is the Board aware that it is the Board that is ultimately responsible for finalising the Corporate Plan?

Answer:

1. Following the creation of Infrastructure Australia as an independent entity in late 2014, IA developed a draft Statement of Intent in response to the Minister’s Statement of Expectations issued in November 2014.
2. A final Statement of Intent is expected to be approved at the May Board Meeting of Infrastructure Australia. It will then be published on the Infrastructure Australia website.
3. The IA Board reviewed a draft Corporate Plan in December 2014 and the final document will be endorsed (after consultation is completed) in the coming months.
4. The Minister’s Statement of Expectations sets the high level agenda for IA and its Corporate Plan.
- 5-6. Infrastructure Australia is consulting on the aims and objectives expressed in the draft Corporate Plan as part of consultation on the Australian Infrastructure Audit and Australian Infrastructure Plan.
7. Yes.

Rural & Regional Affairs and Transport Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates 2014 - 2015

Infrastructure and Regional Development

Question no.: 88

Program: n/a

Division/Agency: Infrastructure Australia

Topic: Staffing

Proof Hansard Page: Written

Senator Sterle, Glenn asked:

1. How many permanent full-time employees are currently employed by IA?
2. How many permanent part-time employees are currently employed by IA?
3. For those FT/PT employees how many are not engaged under the Public Service Act?
4. How many seconded employees are there? Full-time/part-time?
5. For those seconded employees how many are not engaged under the Public Service Act?
6. Where are these employees seconded from?
7. How many employees are seconded from State or Territory Governments?
8. How many consultants are currently engaged with IA?
9. What project is each working on?
10. What is the budget allocation for their consultancy services?

Answer:

1. Two.
2. One.
3. Three.
4. Seven full-time. None part-time.
5. None.
6. Department of Infrastructure & Regional Development.
7. None.
8. None.
9. N/A.
10. N/A.

Rural & Regional Affairs and Transport Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE
Additional Estimates 2014 - 2015
Infrastructure and Regional Development

Question no.: 89

Program: n/a

Division/Agency: Infrastructure Australia

Topic: National Land Freight Strategy

Proof Hansard Page: Written

Senator Sterle, Glenn asked:

IA indicated in the DIRD Annual Report for 2014-5 (p. 117) that it began testing land freight ideas in the Freight Strategy via a proof-of-concept programme.

1. What ongoing work is occurring in this area?
2. Is this a matter that the Minister listed in his Statement of Expectations?

Answer:

1. These and other matters are being considered as part of the 15 year Plan.
2. No.

Rural & Regional Affairs and Transport Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates 2014 - 2015

Infrastructure and Regional Development

Question no.: 90

Program: n/a

Division/Agency: Infrastructure Australia

Topic: Benchmarking

Proof Hansard Page: Written

Senator Sterle, Glenn asked:

1. What work has IA undertaken with respect to establishing benchmarks for infrastructure delivery?
2. What benchmarks are being considered:
 - a. cost;
 - b. timing;
 - c. return on investment; or
 - d. others.

Answer:

1. Infrastructure delivery will be addressed in Infrastructure Australia's upcoming Australian Infrastructure Plan.
2. Benchmarking is a potentially useful means for assessing projects and will be examined in the development of the Australian Infrastructure Plan.

Rural & Regional Affairs and Transport Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates 2014 - 2015

Infrastructure and Regional Development

Question no.: 91

Program: n/a

Division/Agency: Infrastructure Australia

Topic: Road Funding

Proof Hansard Page: Written

Senator Sterle, Glenn asked:

1. What work is IA undertaking on roads access and charging?
2. Given the Government's response to the PC Inquiry into Public Infrastructure included the passage:
3. "...opportunities to test the practical application of road funds could be implemented as pilot schemes, such as building on the regional-based Roads and Transport Alliance model currently in place in Queensland, which allows multiple local governments to cooperate and have greater input into road improvements specific to their regions needs" (p. 6), what new steps is the Department undertaking or aware of?
4. What work is the IA doing towards the development of Road Funds with States and Territories as per recommendation 8.1 of the PC report, which the Government supports?

Answer:

1. Road governance reform and road user charging will be examined in Infrastructure Australia's upcoming Australian Infrastructure Plan.
2. The Department of Infrastructure & Regional Development has advised that this question has been answered (see question 58).
3. Road governance reform and road user charging will be examined in Infrastructure Australia's upcoming Australian Infrastructure Plan.