

**Rural & Regional Affairs and Transport Legislation Committee**  
**ANSWERS TO QUESTIONS ON NOTICE**  
**Budget Estimates 2017 - 2018**  
**Infrastructure and Regional Development**

**Committee Question Number: 14**

**Departmental Question Number: SQ17-000180**

**Program: n/a**

**Division/Agency: Infrastructure Australia**

**Topic: East West Link and WestConnex**

**Proof Hansard Page: 6 (22 May 2017)**

**Senator Sterle, Glenn asked:**

**Senator STERLE:** Okay, so what came first, East West Link or WestConnex?

**Mr Davies:** East West Link, I believe, Senator.

**Senator STERLE:** Sure.

**Mr Davies:** Might have to take that on notice until later on.

**Senator STERLE:** Yes, I think I know the answer to that. That is fine.

**Answer:**

The Australian Government announced \$25 million of grant funding to the NSW government for WestConnex on 28 March 2013.

The Australian Government announced a commitment of \$1.5 billion for the EastWest Link project on 29 April 2014.

**Rural & Regional Affairs and Transport Legislation Committee**  
**ANSWERS TO QUESTIONS ON NOTICE**  
**Budget Estimates 2017 - 2018**  
**Infrastructure and Regional Development**

**Committee Question Number: 15**  
**Departmental Question Number: SQ17-000181**

**Program:** n/a  
**Division/Agency:** Infrastructure Australia  
**Topic:** Business case for a road to incorporate value capture  
**Proof Hansard Page:** 6 (22 May 2017)

**Senator Sterle, Glenn asked:**

**Senator STERLE:** Okay. Has Infrastructure Australia asked a state to rework a business case for a road to incorporate value capture? Have you ever done that?

**Mr Davies:** I am not aware of an example off the top of my head. I would have to check that.

**Answer:**

No.

**Rural & Regional Affairs and Transport Legislation Committee**  
**ANSWERS TO QUESTIONS ON NOTICE**  
Budget Estimates 2017 - 2018  
**Infrastructure and Regional Development**

**Committee Question Number: 16**  
**Departmental Question Number: SQ17-000182**

**Program:** n/a  
**Division/Agency:** Infrastructure Australia  
**Topic:** WestConnex Value Capture  
**Proof Hansard Page:** 7-8 (22 May 2017)

**Senator Sterle, Glenn asked:**

**Senator STERLE:** Okay. So you can tell me if you have assessed it on these certain road projects.

**Mr Dwyer:** We would be able to tell you that certain business cases have business capture as a component of the business case, but we would have taken it on notice, as we do not have that information to hand.

**Senator STERLE:** In that case, in WestConnex there was no value capture as part of your assessment?

**Mr Dwyer:** We would have taken that on notice, and have a look at the business case on the day.

**Senator STERLE:** All right, take that on notice.

**Mr Dwyer:** It was not part of our assessment, but whether or not there was value capture included in the business case we could take on notice.

**Senator STERLE:** So you could not tell me how it was evaluated at all? You just do not evaluate it?

**Mr Dwyer:** We look at it. It does not form part of the economic or strategic case.

**Senator STERLE:** I get that. So what about the M80 upgrade in Melbourne? Did you get it there? Did you have the value capture evaluated?

**Mr Parkinson:** I think the answer for the M80 is the same as for WestConnex. It may be that value capture was included as a potential source of funding. We would have to check and take that on notice.

**Senator STERLE:** Okay. So while you are taking that on notice, can you tell me about NorthConnex now you are here?

**Mr Parkinson:** Yes. I am not aware that value capture was considered for that. That one is some years old. However, we could check and take that on notice as well.

**Senator STERLE:** And the Brisbane Gateway?

**Mr Parkinson:** The same.

**Senator STERLE:** Okay, and the Perth Freight Link?

**Mr Parkinson:** Again, we would have to check and take that on notice.

...

**Senator STERLE:** You have made that very clear. What about the Western Sydney Airport? Have you done any value capture or assessed any value capture, or evaluated any?

**Mr Davies:** For Western Sydney Airport, our role was to assess the economic business case, which we did. That was something we did in November last year.

**Senator STERLE:** Was there value capture included in your assessment for that?

**Mr Davies:** I am not aware that value capture was included, but we would have to double check that. It did not form part of the assessment.

**Answer:**

Please refer to Committee question number 17.

**Rural & Regional Affairs and Transport Legislation Committee**  
**ANSWERS TO QUESTIONS ON NOTICE**  
Budget Estimates 2017 - 2018  
**Infrastructure and Regional Development**

**Committee Question Number:** 17  
**Departmental Question Number:** SQ17-000183

**Program:** n/a  
**Division/Agency:** Infrastructure Australia  
**Topic:** Value capture of projects that have received funding  
**Proof Hansard Page:** 8 (22 May 2017)

**Senator Sterle, Glenn asked:**

**Senator STERLE:** From all the projects that have received federal funding since 2013, including in this year's budget, fully accounted, could you tell us if there are any that have been fully accounted for value capture opportunities in their business cases?

**Mr Parkinson:** Some of the business cases that we have evaluated have included value capture as a source of funding. It is not included in the economic analysis, for the reasons that Mr Davies has explained.

**Senator STERLE:** Yes, I have that very clearly. Could you give me a list of those cases that have had value capture included?

**Mr Parkinson:** One that is on the top of my head is Melbourne Metro. We could certainly check whether there are others.

**Answer:**

Infrastructure Australia has undertaken a high-level review of business cases evaluated since mid-2013 for projects which have received Australian Government funding since that time. None of these business cases have quantified potential funding from value capture.

Infrastructure Australia does not take account of funding sources, including value capture, in its economic evaluation of project business cases.

**Rural & Regional Affairs and Transport Legislation Committee**  
**ANSWERS TO QUESTIONS ON NOTICE**  
Budget Estimates 2017 - 2018  
**Infrastructure and Regional Development**

**Committee Question Number:** 18  
**Departmental Question Number:** SQ17-000184

**Program:** n/a  
**Division/Agency:** Infrastructure Australia  
**Topic:** Value capture for the Inland Rail business case  
**Proof Hansard Page:** 8-9 (22 May 2017)

**Senator Sterle, Glenn asked:**

**Senator STERLE:** How is value captured by the ARTC in the Inland Rail business case, which was subsequently assessed by Infrastructure Australia?

**Mr Parkinson:** As with the other evaluations, value capture can be included in a business case as a potential source of funding. I am not aware right now whether there is any value capture included as a source of funding in that particular business case. We could certainly check that and take it on notice.

**Answer:**

Please refer to Committee question number 17.

**Rural & Regional Affairs and Transport Legislation Committee**  
**ANSWERS TO QUESTIONS ON NOTICE**  
Budget Estimates 2017 - 2018  
**Infrastructure and Regional Development**

**Committee Question Number:** 19  
**Departmental Question Number:** SQ17-000185

**Program:** n/a  
**Division/Agency:** Infrastructure Australia  
**Topic:** May 2017 meeting attendance  
**Proof Hansard Page:** 13 (22 May 2017)

**Senator McCarthy, Malrindirri asked:**

**Senator McCARTHY:** Mr Parkinson, what is the latest with the Tanami Road?

**Mr Parkinson:** I was pleased to be able to meet with the Northern Territory government and the Shire of Halls Creek in Darwin earlier this month to talk about the progress on the business case for the Tanami Road. That was a very productive meeting. I am pleased to say that the proponents are very keen to address some of the issues with that business case, to pull together a revised economic analysis, which they are working on at the moment, and to make a submission back to us later in the year.

**Senator McCARTHY:** Are you able to identify who actually was in that meeting?

**Mr Parkinson:** I could give you details, but probably not here and now.

**Senator McCARTHY:** Could you take that on notice?

**Mr Parkinson:** We can certainly take that on notice. It was with the relevant departments of the Northern Territory government and also the Shire of Halls Creek.

**Answer:**

In May 2017 Infrastructure Australia met with representatives of the Northern Territory Department of Infrastructure, Planning and Logistics, Department of Trade, Business and Innovation, and Department of Treasury and Finance for a broad discussion about Northern Territory Government infrastructure priorities, including Tanami Road.

Infrastructure Australia also met with representatives of the Department of Infrastructure, Planning and Logistics and the Shire of Halls Creek for a detailed discussion about the Tanami Road business case.

**Rural & Regional Affairs and Transport Legislation Committee**  
**ANSWERS TO QUESTIONS ON NOTICE**  
Budget Estimates 2017 - 2018  
**Infrastructure and Regional Development**

**Committee Question Number:** 20  
**Departmental Question Number:** SQ17-000186

**Program:** n/a  
**Division/Agency:** Infrastructure Australia  
**Topic:** Tanami Road - Indigenous employment  
**Proof Hansard Page:** 14 (22 May 2017)

**Senator McCarthy, Malrindirri asked:**

**Senator McCARTHY:** Are there Indigenous employees currently involved with this discussion?

**Mr Parkinson:** The proponents are at the early stage of the economic evaluation of the business case. I do not have visibility over who is working with the proponents on that.

**Senator McCARTHY:** Can you find out?

**Mr Parkinson:** I could certainly ask the question.

**Senator McCARTHY:** When we talk about Indigenous employment, it is not just about being out on the roads; it is actually about understanding processes like this one that you come back to the Senate estimates and explain. Who are the Indigenous people that are employed in understanding how this all works and who are part of the process from the beginning? It would be really good to know if there are Indigenous employers involved even at this point.

**Mr Parkinson:** Yes. I can assure you that the Shire of Halls Creek indicated to me that most of their workforce is Indigenous and they are certainly looking to map out a future work plan to keep that workforce on.

**Senator McCARTHY:** So you can easily get those numbers then?

**Mr Parkinson:** I can certainly ask.

**Answer:**

Development of the business case for the Tanami Road project is a matter for the proponents, the Northern Territory Government and the Shire of Halls Creek.

**Rural & Regional Affairs and Transport Legislation Committee**  
**ANSWERS TO QUESTIONS ON NOTICE**  
**Budget Estimates 2017 - 2018**  
**Infrastructure and Regional Development**

**Committee Question Number:** 21  
**Departmental Question Number:** SQ17-000187

**Program:** n/a  
**Division/Agency:** Infrastructure Australia  
**Topic:** Oaklands crossing  
**Proof Hansard Page:** 17 (22 May 2017)

**Senator Gallacher, Alex asked:**

**Senator GALLACHER:** What I wanted you to take on notice is: has the analysis conducted by your department and IA concluded that this project will have a positive cost-benefit? I am happy for you to take that on notice.

**Mr Mrdak:** I will take that on notice.

**Answer:**

Infrastructure Australia has not evaluated a business case for the Oaklands Crossing as the Australian Government contribution is under the \$100 million threshold requiring Infrastructure Australia assessment.



**Rural & Regional Affairs and Transport Legislation Committee**  
**ANSWERS TO QUESTIONS ON NOTICE**  
Budget Estimates 2017 - 2018  
**Infrastructure and Regional Development**

**Committee Question Number:** 22  
**Departmental Question Number:** SQ17-000301

**Program:** n/a  
**Division/Agency:** Infrastructure Australia  
**Topic:** “Old Nowra” Bridge  
**Proof Hansard Page:** Written (2 June 2017)

**Senator Sterle, Glenn asked:**

Has Infrastructure Australia been asked to assess any proposal to build a third crossing of the Shoalhaven River at Nowra?

- If yes, who submitted the proposal and how long will it take you to conclude your assessment of it?

**Answer:**

Infrastructure Australia received an initiative (early stage) submission for a third crossing of the Shoalhaven River at Nowra from the NSW Government in September 2015. This was not a full business case.

The submission was assessed in 2015, and the proposed initiative was not included on the Infrastructure Priority List at that time.

**Rural & Regional Affairs and Transport Legislation Committee**  
**ANSWERS TO QUESTIONS ON NOTICE**  
Budget Estimates 2017 - 2018  
**Infrastructure and Regional Development**

**Committee Question Number:** 23  
**Departmental Question Number:** SQ17-000302

**Program:** n/a  
**Division/Agency:** Infrastructure Australia  
**Topic:** Northern Australia Infrastructure Facility  
**Proof Hansard Page:** Written (2 June 2017)

**Senator Sterle, Glenn asked:**

I refer to the Northern Australia Infrastructure Facility Mandate Decision 2016 in which it states that “Where an Investment Decision is greater than \$100 million, the Facility must consult Infrastructure Australia.”

- To date, has the NAIF Board sought the views of Infrastructure Australia on the merits of any investment proposal currently before them?
  - If yes, can you list the projects, or least indicate how many?

**Answer:**

The Northern Australia Infrastructure Facility (NAIF) has referred one prospective project to Infrastructure Australia for advice. That prospective project was seeking less than \$100 million from NAIF, but was referred to Infrastructure Australia as an example, to assist in developing a process for consultation on prospective projects seeking over \$100 million from NAIF.