

Agency Snapshot: Infrastructure Australia

September 2012

Infrastructure Australia is the peak advisory body on matters relating to infrastructure in Australia. Established under the [Infrastructure Australia Act 2008](#), Infrastructure Australia came into effect on 9 April 2008. Infrastructure Australia is an eleven member statutory body whose members are appointed by the Federal Minister for Infrastructure and Transport.

Background

One of Kevin Rudd election commitments in 2007 was to set up a national body to identify infrastructure priorities, tackle bottlenecks and boost the economy's productive capacity in the midst of the resource boom. Within Labor's first 100 days in government Infrastructure Australia was established.

Infrastructure Australia's purpose is to identify reforms and investments that are vital to ensure Australia's economic infrastructure supports and drives the nation's economic, social and environmental success. This is achieved by providing advice to the Australian Government on national infrastructure priorities.

Minister for Infrastructure and Transport Anthony Albanese said, when tabling the Infrastructure Australia Bill, that the inception of Infrastructure Australia would prevent short-term political interests influencing infrastructure investments decisions by delivering objective advice to government, and thus create an environment conducive to private investment in public infrastructure.

The minister's speech is available in full [here](#)

Infrastructure Australia Act 2008

The functions of Infrastructure Australia are set out in the *Infrastructure Australia Act 2008*. The Act states that Infrastructure Australia's primary function is to provide advice to the Minister, Commonwealth, State, Territory and local governments, investors in infrastructure and owners of infrastructure on matters relating to infrastructure, including in relation to the following:

- Australia's current and future needs and priorities relating to nationally significant infrastructure;



- policy, pricing and regulatory issues that may impact on the utilisation of infrastructure;
- impediments to the efficient utilisation of national infrastructure networks;
- options and reforms, including regulatory reforms, to make the utilisation of national infrastructure networks more efficient;
- the needs of users of infrastructure; and
- mechanisms for financing investment in infrastructure.

Infrastructure Australia reports to the Council of Australian Governments (COAG) each year by handing down a review on national infrastructure priorities and performance.

The 2012 report: Progress and Action, is available [here](#).

Infrastructure Priority list

As part of Infrastructure Australia advice to governments one of its main functions as set out in the Infrastructure Australia Act 2008 is to develop the Infrastructure Priority List. The Infrastructure Priority List is a pipeline of projects Infrastructure Australia considers key to strengthening the economy, dealing with the challenges of sustainable population growth, export bottlenecks, urban congestion and climate change.

The projects on the list are considered to have real merit or significant potential. The list works as a guide regarding the long term investment decisions of both the public and private sectors, including super funds. In 2011 Infrastructure Australia introduced a minimum capital cost threshold of \$100 million for projects on the list. This threshold was applied to the 2012 list.

The Infrastructure Priority List provides advice and recommendations to governments on infrastructure projects and funding, however the decisions to fund projects are still made by government. Thus, Infrastructure Australia's recommendations do not necessarily determine whether the project will go ahead or not.

The 2012 National Priority List is available [here](#).

Regional Infrastructure Fund

Infrastructure Australia works with state and territory governments to establish priority infrastructure projects to be funded by the Regional Infrastructure Fund. The fund was established by the Commonwealth government to invest parts of the proceeds of the resources boom. It addresses urgent infrastructure needs, while supporting the mining industry, boosting export capacity and developing regional economies.

Applications for funding are assessed using Infrastructure Australia's reform and investment framework.



Based on these assessments, the Infrastructure Australia's Infrastructure Coordinator provides recommendations to the Minister for Infrastructure and Transport.

The Regional Infrastructure Fund Guidelines are available [here](#).

Members of Infrastructure Australia

The twelve members of Infrastructure Australia are appointed by the Minister. Nine members are people nominated by the Commonwealth, five of those must have acquired the necessary knowledge and experience in the private sector, while one of the nine members nominated must have acquired the necessary knowledge and experience in local government. In addition, three members are nominated in agreement between the states and territories.

The twelve members of Infrastructure Australia are:

- Sir Rod Eddington (chair)
- Dr Ian Watt AO, *Secretary, Department of the Prime Minister and Cabinet*
- Mr Jim Hallion, *Chief Executive, Department of the Premier and Cabinet, South Australia*
- Mr Anthony Kannis, *Executive Director of Western Australian Treasury*
- Dr Kerry Schott, *CEO for NSW Commission of Audit*
- Prof. Peter Newman, *Professor of Sustainability at Sustainability Policy Institute of Curtin University*
- The Hon. Mark Birell, *Chairman of Infrastructure Partnerships Australia*
- Mr Phil Hennessy, *Queensland Chairman of KPMG*
- Cr Nicole Lockwood, *President of the Shire of Roebourne in Western Australia*
- Ms Elana Rubin, *Chairman of AustralianSuper*
- Dr Martin Parkinson, *Secretary, Treasury*
- *Vacant*