

## Infrastructure Victoria

June 2015

On 23 June 2015, the Labor Andrews Government introduced the *Infrastructure Victoria Bill 2015* to create Infrastructure Victoria, which will provide advice to the Government when determining key projects for Victoria. Infrastructure Victoria will assist in evaluating business cases for large-scale projects and undertaking research and modelling, drawing from information held across government, universities and the private sector.

Infrastructure Victoria is being established as an independent body, to provide advice to Government that will ensure the State's immediate and long-term needs are identified based on consultation with key stakeholders, using objective, transparent analysis and evidence. Infrastructure Victoria's recommendations to Government will be made publicly available and Government will respond publicly to these recommendations in a timely manner.

On 24 June 2015, Minister for Public Transport Jacinta Allan delivered the second reading speech on the Bill.

The Bill envisages an Infrastructure Strategy being developed and released, without Government approval, by Infrastructure Victoria. The key features that the strategy will include are:

- A 30-year time frame, based on evidence and community support;
- An assessment of the current state of infrastructure in Victoria and identify short, medium and long term infrastructure
- Consideration of infrastructure needs across all sectors and recommendations on various infrastructure issues such as schools, hospitals, transport, water and arts and cultural facilities and;
- Identification of infrastructure projects that should be prioritised to meet the needs of the state and provide advice on funding and financing options.

The Bill mandates that Infrastructure Victoria will release a draft of the 30-year Infrastructure Strategy for public consultation before finalising and publishing the strategy.

To complement the Strategy, the Government will be required to develop a five-year Infrastructure Plan forecasting necessary projects and funding commitments. As part of its responsibilities, Infrastructure Victoria will assess the Government's progress against the Plan.

Infrastructure Victoria's board of directors will comprise of seven members. The Chair, Deputy Chair and two other board members will be appointed from the private or non-government sectors. The Secretary



of the Department of Premier and Cabinet, the Secretary of the Department of Treasury and Finance and the Secretary responsible to the Minister for Planning will also serve as unpaid ex-officio directors.

This announcement stems from Labor's election commitment as proposed within Victorian Labor's Plan for 100,000 jobs. In this plan, Labor announced that, "Infrastructure Victoria will mean future Governments won't be distracted by politics or able to hide vital information from voters."

Minister Allan re-enforced this commitment in her second reading speech, saying, "[t]he Andrews government is determined to take short term politics out of infrastructure."

This sentiment was also reflected in comments made by the Committee for Melbourne CEO Kate Roffey that examples have proven around the world that when there is an urgent need to deliver, party politics can be put aside for the benefit of the greater good.

**Update: September 2015**

The *Infrastructure Victoria Bill 2015* received Royal Assent on 8 September 2015.

The original Bill incurred varying amendments, including two new clauses:

- Transmission of 30-year infrastructure strategy to Parliament; and
- Laying of 5-year infrastructure plan before Parliament.

**Transmission of 30-year infrastructure strategy to Parliament**

This new clause requires the 30-year infrastructure strategy or updated strategy to be distributed to all Members of Parliament for consideration before being publicly released. Infrastructure Victoria will also be required to release evidence and analysis it received when developing the 30-year infrastructure strategy. There will also be public consultations held in order for the Government to receive feedback on the priorities set by Infrastructure Victoria.

**Laying of 5-year infrastructure plan before Parliament**

When the 30-year infrastructure strategy is publicly released, future Victorian Governments will be required to outline how the strategy links to their objectives in Government. Future Victorian Governments will be required to provide a response within 12 months and produce their own plan in regards to infrastructure planning over the next five years. This framework ensures that future Victorian Governments take into account the work that Infrastructure Victoria produces.

**Update: October 2015**

On 7 October 2015, the Victorian Government announced the board members of Infrastructure Victoria, which includes:

- Jim Miller – Chair. Mr Miller was Executive Director, Head of Infrastructure, Utilities and Renewables at Macquarie Capital from 1994 – 2015 and is currently the Deputy Chair of Infrastructure Partnerships Australia. Mr Miller has worked in the areas of regulated assets, transport, energy, utilities and resources and social infrastructure.
- Maria Wilton – Deputy Chair. Ms Wilton is currently Managing Director of Franklin Templeton Investments Australia, a director of the Financial Services Council of Australia and the National Breast Cancer Foundation.
- Professor Margaret Gardner – Board member. Ms Gardner is the current President and Vice Chancellor of Monash University.
- Ann Sherry – Board member. Ms Sherry the former CEO of Westpac New Zealand and the Bank of Melbourne

The Board will also include the Secretaries of the Department of Premier and Cabinet, the Department of Treasury and Finance and the Department of Environment, Land, Water and Planning, in order to coordinate infrastructure planning with the public service.

Infrastructure Victoria will be required to assess the Victorian Government's infrastructure plan and progress against the 30-year strategy.

Infrastructure Victoria will also assess the economic, environmental and social merits of major projects, and publish research on a range of infrastructure issues.



### **Further information**

The Second Reading Speech is available [here](#).

The Bill is available [here](#).

The final Speech relating to final consideration of Legislative Council amendments is available [here](#).

The Act is available [here](#).

Victorian Labor's Plan for 100,000 Jobs available [here](#).

The Committee for Melbourne's *'The case for an independent Infrastructure Victoria'* discussion paper is available [here](#).