

Budget 2013-14: Infrastructure

May 2013

Investment in major infrastructure projects is a significant theme of the 2013-14 Federal Budget. The Government is continuing its program of nation building infrastructure investment critical to meeting the challenges associated with population growth and the expansion of major cities.

Urban Rail

In the 2013-14 Budget the Government has allocated funding for two key urban rail projects. These projects will increase rail capacity, reduce the congestion and increase long term productivity.

The 2013-14 Budget allocates:

- \$3 billion towards construction of the Melbourne Metro to be matched dollar-for-dollar by the Victorian Government. The 9-kilometre tunnel extending from South Kensington to South Yarra will allow the network to run up to 19 extra services per hour, which is enough capacity to carry more than 20,000 additional passengers.
- \$715 million towards construction of Brisbane's Cross River Rail to be matched dollar-for-dollar by the Queensland Government. The project involves building a 10 kilometre twin track tunnel between Yeerongpilly and Victoria Park as well as developing underground stations at Woolloongabba, Boggo Road, Albert Street and Roma Street.

This will almost double the capacity of Brisbane's suburban rail network, allowing it to carry over 17,000 extra passengers during the morning peak hours.

Both projects will receive long term Federal and State funding to support 'availability payments' as a mechanism for attracting the balance of the required funding from the private sector.

- \$500 million has been allocated to assist in the delivery of the Perth Light Rail project and/or the construction of a new rail link to the City's airport. Construction and priority timetables are to be determined in consultation with the WA Government, and subject to an assessment by Infrastructure Australia.

Urban Roads

The Government also announced funding for urban roads, particularly in Sydney.

The 2013-14 Budget allocation for Sydney Motorways:



- \$1.8 billion for the Westconnex (M4 extension and M5 duplication). This funding is conditional on the NSW Government finalising a detailed business case for assessment by *Infrastructure Australia*; ensuring the final proposal provides direct links to get people to the City and freight to the Port, as well as agreeing to not impose new tolls on existing roads.
- \$400 million for the F3-M2 ‘missing link’ in Sydney, which once completed, this new road will greatly reduce traffic congestion through the northern suburbs and cut journey times for motorists travelling between Sydney and the Central Coast.

In addition, the Government announced that a new advisory function will be established within Treasury provide guidance on the most appropriate financing structures to bring large, complex infrastructure projects to market.

Nation Building

The next phase of the Nation Building Program (2014-15 to 2018-19) provides significant additional funding towards a \$4.1 billion 10 year package to upgrade and maintain the Bruce Highway, Queensland's major north—south transport corridor which links the northern regional centres of the State with Brisbane.

In addition, the 2013-14 Budget provides:

- \$500.0 million for a 10 year capital works program along the Midland Highway— the critical north-south road link in Tasmania.
- \$307.8 million for a package of works along the section of the Great Northern Highway (Western Australia) between Muchea and Wubin.
- \$317.5 million for a package of works between Toowoomba and Miles on the Warrego Highway (Queensland).
- \$257.5 million for construction of the next stage of the duplication of the Princes Highway West (Victoria) between Winchelsea and Colac.
- \$85 million for the Anangu Pitjanjatjara Yankunytjatjara (APY) Lands (South Australia) to upgrade sections of the 210 kilometres of main access road between the Stuart Highway and Pukatja, and improve 21 kilometres of community roads.

Hawker Britton’s Agency Snapshot on *Infrastructure Australia* is available [here](#).