

## INFRASTRUCTURE

In 2017-18, the Commonwealth will provide funding of \$8.0 billion to support State infrastructure projects, as detailed in Table 2.9.

**Table 2.9: Payments to support State infrastructure services**

\$million	2016-17	2017-18	2018-19	2019-20	2020-21
<b>National Partnership payments</b>					
Infrastructure Investment Program					
Black Spot projects	25.0	85.0	85.0	85.0	60.0
Bridges Renewal program	64.3	90.0	85.0	85.0	60.0
Developing Northern Australia					
Improving cattle supply chains	1.7	45.4	42.3	10.6	-
Northern Australia Roads	12.0	188.5	220.2	179.3	-
Heavy Vehicle Safety and Productivity program	50.2	60.0	60.0	70.0	40.0
Improving the national network(a)	..	-	-	-	-
National Rail Program	-	-	-	200.0	400.0
Rail component	207.9	438.1	415.6	345.0	658.0
Road component	4,231.5	4,158.4	3,916.1	3,458.4	2,083.5
Roads to Recovery	815.1	699.6	364.5	399.7	399.7
Infrastructure Growth Package					
Asset Recycling Initiative	1,018.9	898.3	369.4	-	-
New Investments	515.5	473.8	74.6	6.7	-
Western Sydney Infrastructure Plan	278.8	725.0	488.1	190.0	430.0
Asset Recycling – Energy Infrastructure	-	18.3	18.3	-	-
Infrastructure projects in Western Australia	226.0	-	-	-	-
Interstate road transport	71.0	71.0	71.0	71.0	71.0
Murray-Darling Basin regional economic diversification program	22.7	-	-	-	-
Supporting drought-affected communities program	21.3	5.0	5.0	-	-
WiFi and mobile coverage on trains	-	5.0	5.0	2.0	-
<b>Total</b>	<b>7,561.8</b>	<b>7,961.4</b>	<b>6,220.1</b>	<b>5,102.7</b>	<b>4,202.1</b>
<i>Memorandum item – funding in the Contingency Reserve not included above</i>					
Victorian Infrastructure projects	-	-	201.5	110.7	149.0
<i>Memorandum item – payments direct to local governments included in payments above</i>					
Infrastructure Investment Program					
Roads to Recovery	771.6	664.7	350.2	378.8	378.8
Supporting drought-affected communities program	21.3	5.0	5.0	-	-
<b>Total</b>	<b>792.9</b>	<b>669.7</b>	<b>355.2</b>	<b>378.8</b>	<b>378.8</b>

(a) These figures represent expenses against prepayments made to the States in prior years.

## National Partnership payments for infrastructure

### Infrastructure Investment Program

The Commonwealth is providing funding for road and rail infrastructure through the Infrastructure Investment Program under the *National Partnership on Land Transport Infrastructure Projects*. The Commonwealth is establishing a ten-year funding allocation for this program.

The program assists economic and social development regionally and nationally by providing funding to improve the performance of land transport infrastructure.

Funding of \$461.2 million across the forward estimates has also been set aside in the Contingency Reserve for future Victorian infrastructure projects. This amount has been included as a memorandum item Table 2.9 above.

A portion of Commonwealth funding for road infrastructure is sourced from the additional net revenue received from the reintroduction of fuel excise indexation, announced in the 2014-15 Budget.

The Infrastructure Investment Program includes several components that involve payments to the States, detailed in the tables below.

#### Black Spot Projects

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2016-17	7.8	6.5	5.8	1.7	1.4	0.7	0.4	0.8	25.0
2017-18	27.0	20.2	17.9	8.2	6.2	2.3	1.4	1.8	85.0
2018-19	27.0	20.2	17.9	8.2	6.2	2.3	1.4	1.8	85.0
2019-20	27.0	20.2	17.9	8.2	6.2	2.3	1.4	1.8	85.0
2020-21	19.2	13.7	12.2	6.6	4.8	1.6	1.0	1.0	60.0

These projects improve the safety of road sites which have been identified as high risk areas for serious crashes. Funding is aimed at improving sites that have a record of at least three accidents involving casualties over a five year period, and can demonstrate a benefit to cost ratio greater than two.

#### Bridges Renewal Program<sup>(a)</sup>

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2016-17	15.4	8.0	31.5	2.9	0.9	2.4	0.7	2.5	64.3
2017-18	34.4	12.3	26.9	6.1	4.6	1.1	0.5	4.1	90.0
2018-19	32.0	17.2	20.9	6.8	4.1	1.7	1.1	1.1	85.0
2019-20	25.2	18.2	24.3	7.8	4.6	2.1	1.3	1.6	85.0
2020-21	19.2	15.2	12.0	6.7	4.2	1.2	1.0	0.6	60.0

(a) Some amounts in each year remain unallocated. These amounts have been notionally allocated to all States on an equal per capita basis.

The Commonwealth is providing funding to upgrade bridges across the nation. This program renews and replaces bridges serving local communities, and facilitates higher productivity vehicle access.

**Developing Northern Australia — Improving Cattle Supply Chains<sup>(a)</sup>**

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2016-17	-	-	1.7	-	-	-	-	-	1.7
2017-18	-	-	26.2	6.1	-	-	-	13.0	45.4
2018-19	-	-	28.8	6.5	-	-	-	7.0	42.3
2019-20	-	-	0.5	0.1	-	-	-	10.0	10.6
2020-21	-	-	-	-	-	-	-	-	-

(a) Some amounts in each year remain unallocated. These amounts have been notionally allocated to all participating States on an equal per capita basis.

The Commonwealth will provide funding to Queensland, Western Australia and the Northern Territory for road infrastructure projects that will improve the resilience and productivity of the northern cattle supply chains.

**Developing Northern Australia — Northern Australia Roads<sup>(a)</sup>**

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2016-17	-	-	12.0	-	-	-	-	-	12.0
2017-18	-	-	37.3	56.3	-	-	-	94.9	188.5
2018-19	-	-	86.8	64.2	-	-	-	69.2	220.2
2019-20	-	-	95.4	55.5	-	-	-	28.4	179.3
2020-21	-	-	-	-	-	-	-	-	-

(a) Some amounts in each year remain unallocated. These have been notionally allocated to all participating States on an equal per capita basis.

The Commonwealth will provide funding to Queensland, Western Australia and the Northern Territory for infrastructure projects that are essential to the movement of people and freight, in order to support economic development in the region. Projects include links to roads connecting communities and regional towns to ports and airports.

**Heavy Vehicle Safety and Productivity Program<sup>(a)</sup>**

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2016-17	21.8	1.3	10.7	4.5	3.4	0.7	-	7.8	50.2
2017-18	16.7	11.0	15.1	5.7	6.3	2.3	0.3	2.7	60.0
2018-19	23.6	9.3	14.5	4.8	5.0	0.7	0.4	1.7	60.0
2019-20	28.4	10.6	8.1	6.9	5.1	1.1	0.2	9.5	70.0
2020-21	12.8	10.1	8.0	4.4	2.8	0.8	0.7	0.4	40.0

(a) Some amounts in each year remain unallocated. These have been notionally allocated to all States on an equal per capita basis.

The Commonwealth is contributing to the safety and productivity of heavy vehicles by funding projects that improve the safety of the road environment, enhance the capacity of existing roads and improve connections to freight networks.

**Improving the National Network<sup>(a)</sup>**

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2016-17	-	-	-	-	..	-	-	-	..
2017-18	-	-	-	-	-	-	-	-	-
2018-19	-	-	-	-	-	-	-	-	-
2019-20	-	-	-	-	-	-	-	-	-
2020-21	-	-	-	-	-	-	-	-	-

(a) Figures in this table represent expenses against prepayments made to the States in prior years.

The Commonwealth provided a one-off supplementary payment of \$1.8 billion to the States in 2005-06 to complete major works packages. Works included the Sturt Highway in South Australia. South Australia is now spending the last of the money it received in 2005-06.

**National Rail Program<sup>(a)</sup>**

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2016-17	-	-	-	-	-	-	-	-	-
2017-18	-	-	-	-	-	-	-	-	-
2018-19	-	-	-	-	-	-	-	-	-
2019-20	~	~	~	~	~	~	~	~	200.0
2020-21	~	~	~	~	~	~	~	~	400.0

(a) State allocations have not yet been finalised.

The Commonwealth is establishing a \$10 billion National Rail Program over 10 years to improve urban and regional services and upgrade critical freight rail infrastructure. Funding will be allocated to projects only after key conditions have been met, including positive assessment of a business case.

A new measure associated with this component of the Infrastructure Investment Program is listed in Table 1.4 and described in more detail in Budget Paper No. 2, *Budget Measures 2017-18*.

**Rail Component**

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2016-17	25.0	0.1	160.4	-	2.0	20.4	-	-	207.9
2017-18	-	149.4	91.3	9.5	175.1	12.9	-	-	438.1
2018-19	-	235.0	85.0	25.0	55.3	15.3	-	-	415.6
2019-20	-	218.0	27.0	100.0	-	-	-	-	345.0
2020-21	-	-	-	658.0	-	-	-	-	658.0

The rail investment component of the Infrastructure Investment Program delivers the Commonwealth's rail investment outside the National Rail Program. It funds projects across Australia, including the Regional Rail program.

A new measure associated with this component of the Infrastructure Investment Program is listed in Table 1.4 and described in more detail in Budget Paper No. 2, *Budget Measures 2017-18*.

**Road component<sup>(a)</sup>**

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2016-17	1,941.7	351.0	1,211.8	228.5	369.9	91.3	0.8	36.4	4,231.5
2017-18	1,149.3	428.7	1,430.0	495.4	483.0	129.8	2.8	39.3	4,158.4
2018-19	1,179.9	190.8	1,522.6	602.8	303.6	83.5	2.7	30.1	3,916.1
2019-20	845.9	238.9	1,604.8	430.6	284.7	34.5	1.2	17.7	3,458.4
2020-21	234.5	141.3	1,532.3	75.9	38.9	44.6	9.1	6.8	2,083.5

(a) Some amounts in 2017-18 and beyond remain unallocated. These amounts have been notionally allocated to all States on an equal per capita basis.

The road investment component of the Infrastructure Investment Program delivers the majority of the Commonwealth's investment in road infrastructure. It targets nationally significant projects which will improve the efficiency and safety of Australia's road network. Funding is provided for road construction projects and network maintenance, as well as transport development, innovation projects and grants to land transport research bodies.

New measures associated with this component of the Infrastructure Investment Program are listed in Table 1.4 and described in more detail in Budget Paper No. 2, *Budget Measures 2017-18*.

**Roads to Recovery<sup>(a)</sup>**

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2016-17	233.2	163.8	163.7	117.8	72.4	26.2	14.5	23.5	815.1
2017-18	196.6	142.4	142.4	102.4	63.0	22.8	9.7	20.4	699.6
2018-19	85.4	75.5	85.8	63.3	32.6	11.2	1.5	9.3	364.5
2019-20	111.5	81.4	81.4	58.5	35.9	13.0	6.4	11.6	399.7
2020-21	111.5	81.4	81.4	58.5	35.9	13.0	6.4	11.6	399.7

(a) These figures include payments direct to local governments.

The Commonwealth is providing funding for the Roads to Recovery program for road construction and maintenance projects at a local level. Decisions on projects to be funded are made locally and reported to the Commonwealth.

**Infrastructure Growth Package**

The Commonwealth announced the Infrastructure Growth Package, comprising the Asset Recycling Initiative, New Investments and the Western Sydney Infrastructure Plan, in the 2014-15 Budget.

**Asset Recycling Initiative**

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2016-17	1,007.9	-	-	-	-	-	11.0	-	1,018.9
2017-18	848.0	-	-	-	-	-	30.1	20.2	898.3
2018-19	335.0	-	-	-	-	-	14.2	20.2	369.4
2019-20	-	-	-	-	-	-	-	-	-
2020-21	-	-	-	-	-	-	-	-	-

Under the Asset Recycling Initiative, the Commonwealth is providing funding to encourage States to divest assets and reinvest the proceeds into new productive infrastructure. Funding was allocated to specific projects on a first come, first served basis, as projects were agreed between the Commonwealth and individual States. The time period for states to sign new agreements with the Commonwealth expired on 30 June 2016.

### New Investments

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2016-17	35.3	40.4	218.0	31.8	160.6	3.4	1.0	25.1	515.5
2017-18	23.0	8.2	252.8	4.3	156.3	2.2	-	27.1	473.8
2018-19	30.0	1.0	3.3	-	40.3	-	-	-	74.6
2019-20	1.8	-	0.5	-	4.4	-	-	-	6.7
2020-21	-	-	-	-	-	-	-	-	-

The Commonwealth is providing additional funding to expedite investment in high quality economic infrastructure. This includes additional funding for significant road projects, the National Highway Upgrade Program, as well as Black Spot projects in 2016-17.

### Western Sydney Infrastructure Plan

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2016-17	278.8	-	-	-	-	-	-	-	278.8
2017-18	725.0	-	-	-	-	-	-	-	725.0
2018-19	488.1	-	-	-	-	-	-	-	488.1
2019-20	190.0	-	-	-	-	-	-	-	190.0
2020-21	430.0	-	-	-	-	-	-	-	430.0

The Commonwealth is providing \$2.9 billion in additional funding over ten years to enhance capacity and improve transport infrastructure in Sydney's western suburbs. This includes infrastructure to support the new airport at Badgerys Creek.

### Other National Partnership payments

#### National Partnership on Asset Recycling — Energy Infrastructure

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2016-17	-	-	-	-	-	-	-	-	-
2017-18	-	-	-	-	18.3	-	-	-	18.3
2018-19	-	-	-	-	18.3	-	-	-	18.3
2019-20	-	-	-	-	-	-	-	-	-
2020-21	-	-	-	-	-	-	-	-	-

The Commonwealth will provide funding of up to \$36.6 million to target energy infrastructure in South Australia. Funding will be provided for agreed energy infrastructure projects under a bilateral Asset Recycling agreement. This forms part of the Government's *Energy for the Future Package*.

A new measure associated with this National Partnership is listed in Table 1.4 and described in more detail in Budget Paper No. 2, *Budget Measures 2017-18*.

### National Partnership on Infrastructure Projects in Western Australia

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2016-17	-	-	-	226.0	-	-	-	-	226.0
2017-18	-	-	-	-	-	-	-	-	-
2018-19	-	-	-	-	-	-	-	-	-
2019-20	-	-	-	-	-	-	-	-	-
2020-21	-	-	-	-	-	-	-	-	-

Funding in 2016-17 will be allocated to infrastructure projects agreed with the Western Australian Government. This funding is in recognition of Western Australia's low share of GST revenue.

A new measure associated with this National Partnership is listed in Table 1.4 and described in more detail in Budget Paper No. 2, *Budget Measures 2017-18*.

### Interstate Road Transport

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2016-17	32.7	19.0	6.7	2.8	8.6	0.4	0.4	0.4	71.0
2017-18	32.7	19.0	6.7	2.8	8.6	0.4	0.4	0.4	71.0
2018-19	32.7	19.0	6.7	2.8	8.6	0.4	0.4	0.4	71.0
2019-20	32.7	19.0	6.7	2.8	8.6	0.4	0.4	0.4	71.0
2020-21	32.7	19.0	6.7	2.8	8.6	0.4	0.4	0.4	71.0

The Commonwealth provides funding under the *Interstate Road Transport Act 1985* equal to the total revenue received from heavy vehicle registrations under the Federal Interstate Registration Scheme. This funding is spent by the States on the maintenance and upkeep of roads that are used by heavy vehicles.

### National Partnership for the Murray-Darling Basin Regional Economic Diversification Program

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2016-17	12.6	6.3	3.8	-	-	-	-	-	22.7
2017-18	-	-	-	-	-	-	-	-	-
2018-19	-	-	-	-	-	-	-	-	-
2019-20	-	-	-	-	-	-	-	-	-
2020-21	-	-	-	-	-	-	-	-	-

The Commonwealth is providing funding to Basin States to support economic diversification in regional communities likely to be affected by the implementation of the Murray Darling Basin Plan. Relevant projects seek to encourage sustainable economic development through joint government, private and community sector investment.

**Supporting Drought-affected Communities Program<sup>(a)</sup>**

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2016-17	4.3	3.0	14.1	-	-	-	-	-	21.3
2017-18	1.0	1.5	2.5	-	-	-	-	-	5.0
2018-19	1.9	0.5	2.6	-	-	-	-	-	5.0
2019-20	-	-	-	-	-	-	-	-	-
2020-21	-	-	-	-	-	-	-	-	-

(a) These figures include payments direct to local governments.

The Commonwealth is supporting local infrastructure projects that provide employment for people whose work opportunities have been affected by drought. Funding will be provided to drought-declared local government areas for projects that stimulate local community spending, use local resources, businesses and suppliers, and provide long-lasting benefits to communities and the agricultural industries on which they depend.

**National Partnership on WiFi and Mobile Coverage on Trains**

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2016-17	-	-	-	-	-	-	-	-	-
2017-18	5.0	-	-	-	-	-	-	-	5.0
2018-19	5.0	-	-	-	-	-	-	-	5.0
2019-20	2.0	-	-	-	-	-	-	-	2.0
2020-21	-	-	-	-	-	-	-	-	-

This program will establish mobile and internet connectivity along the train route between Hornsby and Wyong.