



# MEDIA RELEASE

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## **INFRASTRUCTURE NSW STRATEGY: SOUND CONCEPTS, PROJECTS – NOW FOR SUSTAINED DELIVERY**

The *Infrastructure NSW* State Infrastructure Strategy provides clear minded, cogent and direct advice to the NSW Government on the State's project and reform priorities, says Infrastructure Partnerships Australia.

"The Infrastructure NSW strategy provides clear advice to the government about the projects, policies and reforms needed to deliver more and better infrastructure across New South Wales" said IPA Chief Executive, Brendan Lyon.

"The SIS delivers exactly what was asked for – direct, independent advice to the Government about the projects and policies needed to restore productivity growth.

"The focus on completing Sydney's road network is straightforward and logical. Roads are the heavy lifter of the transport network, supporting 50 per cent of public transport journeys and 93 per cent of journeys overall.

"The WestConnex concept, which would deliver the M4 East and M5 East duplication requires further development, but the fresh thinking about how, where and why this project is needed is a material step toward delivery of these critical links.

"The M4 East motorway has been planned since 1951, but until now, it has only existed on the pages of the street directory.

"Infrastructure NSW has provided the opportunity to look over the horizon and make recommendations about the protection of infrastructure corridors for future projects.

"One of the reasons that the M4 East and M5 East duplication have been so hard to deliver is because previous governments made short sighted and poor decisions.

"The M4 East corridor was protected in 1951, but sold off in the 1970s by the Wran Government, in response to localised opposition.

"The M5 East was only finished a decade ago. The contractors offered to build an extra lane each way for less than \$70 million, but the government rejected it. Duplicating the project is now estimated to cost \$5.2 billion, substantially higher than the \$70 million it could have cost.

"If previous governments had looked beyond short term drivers, then NSW would already be enjoying these roads, at a substantially lower cost.

"NSW is facing substantial challenges, with little available funding and a huge requirement for new transport, utility and social infrastructure.

"With funding tight, NSW can ill afford to invest in the wrong projects.

“Infrastructure NSW was formed to provide independent advice to the Government on the prioritisation of major infrastructure projects. The additional level of scrutiny about project priorities will ultimately lead to better decision making.

“The Government will now provide its response to the options raised in the SIS. It will agree with some of Infrastructure NSW’s options and may disagree on others, but it’s a healthy outcome that there is a real, transparent and evidence based discussion being had about the priorities for New South Wales.

“Of course, a lack of budget capacity and falling government revenues remains the biggest constraint to getting these projects into the ground.

“Infrastructure NSW has made some important recommendations about the ongoing need to sell public assets, increase the use of tolling and other tax revenues and use pricing to make a more efficient use of the infrastructure that we’ve got.

“Tolling, the sale of public assets and efficiencies across the public sector are rarely popular, but they are the only way to get infrastructure delivered.

“At its simplest, infrastructure is funded by the difference between what governments earn, and what they spend.

“Unless NSW finds new revenues, cuts expenses and privatises assets, then we’ll see more of the same – slow progress and dwindling economic performance.

“The sale of the State’s electricity sector must be a central focus for policymakers across the major parties.

“The sale of poles and wires will mean the difference between the status quo and the transformation of New South Wales.

“The State Infrastructure Strategy is a sound document and industry looks forward to the Government’s response about which recommendations it will take forward.

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