

SUBMISSION COVERSHEET

Submissions may address any key issues related to the Infrastructure Australia agenda and/or in specific response to the topics raised in the discussion papers.

Please complete and submit this form with your submission. Where possible, *Infrastructure Australia* requests submissions are submitted electronically. Contact us:

Via email Write 'Submission' in subject field of the email and send to: mail@infrastructureaustralia.gov.au	Via post Address your submission to: The Infrastructure Coordinator Infrastructure Australia GPO Box 594 Canberra ACT 2601 AUSTRALIA
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Submission title: Infrastructure Australia Inquiry
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Please indicate if your submission:

- contains NO confidential material
 contains **confidential** material and the whole submission is provided "IN CONFIDENCE"
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Please indicate which of the following your submission covers:

- Issues Paper 1 — Australia's Future Infrastructure Requirements
 Issues Paper 2 – Public Private Partnerships

AND/OR

- General (Includes information on the following areas)
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| <input type="checkbox"/> Water Infrastructure | <input checked="" type="checkbox"/> Telecommunications Infrastructure |
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- Authors of submissions are responsible for securing the appropriate right to use any third party material incorporated into their submissions.
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Submission to Infrastructure Australia Inquiry

Introduction

The Federal Government's new body Federal Infrastructure Australia is currently calling for submission of project ideas for evaluation and possible inclusion on the National Infrastructure Priority List - the first of which will be handed to the Council of Australian Governments in March 2009.

One of the goals of Infrastructure Australia is to facilitate public discussion of how the nation can better plan, finance, build and use major infrastructure.

Infrastructure Australia's immediate tasks are to conduct an audit of the nation's transport, energy, communications and water infrastructure; produce an Infrastructure Priority List to guide future public and private investment decisions; and develop nationally consistent guidelines for Public Private Partnerships.

Background

Infrastructure Australia has developed the following Goals and Priorities to guide its work:

Goals

- Increasing economic standard of living for Australians
- Environmental sustainability and reduced greenhouse gas emissions
- Better social outcomes, quality of life, and reduced social disadvantage in our cities and regions

Strategic Priorities

- Expand Australia's productive capacity
- Increase Australia's productivity
- Diversify Australia's economic capabilities
- Build on Australia's global competitive advantages
- Develop our cities
- Reduce greenhouse emissions
- Improve social equity, and quality of life, in our cities and our regions

In considering how Council might respond there are two areas that spring to mind:

Transport Infrastructure

Whilst the inquiry seems to be targeting large projects, there is a significant backlog of funding for upkeep of roads throughout Australia, which if aggregated comes to a significant amount, i.e. a significant project in its own right.

The Allan Study of 2006 identified a backlog of \$6.3 billion or \$500 million per year in NSW for all assets (with roads being a major component. "Facing The Renewal Challenge" a Victorian study in 2001 estimated that local government was only spending 67% of what was required to sustain the existing asset portfolio.

Over a significant number of years local government funding as a percentage of taxation revenues has steadily declined and local government has no access to growth revenues such as GST.

The Victorian government's submission to Infrastructure Australia highlights that in regional areas, Victoria's economic growth is reflected in the expansion of new and existing commodity based industries in the agriculture and resource sectors. It further states that infrastructure upgrades and ongoing regulatory reform are required to capitalize on valuable emerging regional markets and to ensure that efficient supply chain networks are in place to move freight from farms and processing plants, to trading ports and domestic markets.

Important to this is upgrades to local and arterial roads to handle high productivity freight networks.

Whilst major access to ports etc are generally on arterial roads and via rail the critical role of local roads in providing a link to this infrastructure cannot be overlooked. Of the approximate 200,000 km of roads in Australia some 138,000 are classified as local roads.

Given the existing challenges of a renewal backlog, there is a real need for an ongoing increase to funding levels for local roads to ensure that they remain fit for purpose and deliver economic and social outcomes.

The local road system is a vital conduit into major transport networks.

This funding could support projects identified in technical evaluation of road condition

The local road system is also critical in contributing to quality of life outcomes, one of the goals of Infrastructure Australia.

Telecommunications

A high quality telecommunications system is an essential prerequisite to deliver a number of the Government's stated objectives. World class broadband and mobile coverage will increase the opportunities of business to locate into regional areas.

This is of particular relevance to Mansfield Shire, with the opportunities for economic growth afforded by the large proportion of non resident owners being able to do business from here. This would also fulfill the government's objectives of improving social equity and quality of life.

Existing operators quote 98 -99 % coverage of Australia for their various systems now and proposed. As a result of limitations of topography, a proportion of those areas without adequate coverage are in the "High Country".

The economics of providing access to those with inadequate service is also hampered by low population density.

Therefore in assessing areas where coverage may not be as it is in the other 98 – 99%, consideration should be given to:

- **Technologies available and emerging which may assist this small but important segment of the population**
- **Funding mechanisms which do not disadvantage these communities, which neatly fits the stated aim of improved social equity**

Summary

Whilst the Infrastructure Australia program is right to target large projects, consideration needs to be given to the aggregate effect on society and the economy of a poorly maintained local road system.

Similarly, deficiencies in telecommunications both hamper economic growth and lead to sub optimal social outcomes

Recommendation -

That Infrastructure Australia consider:

- **That given the existing challenges of a renewal backlog, there is a real need for an ongoing increase to funding levels for local roads to ensure that they remain fit for purpose and deliver economic and social outcomes**
- **in assessing areas where mobile and broadband coverage is not adequate consideration be given to technologies available and emerging which may assist a small but important segment of the population with low population density and difficult terrain, and that funding mechanisms which do not disadvantage these communities be assessed in order to achieve the Government's stated aims of improved social equity and improving economic outcomes.**