Australian Government | Infrastructure Australia

August 2026

Assessment of certain nationally significant infrastructure projects that were committed to without prior evaluation by Infrastructure Australia

2025-26 report

Purpose of this report

Section 5DA of the *Infrastructure Australia Act 2008* (IA Act) requires Infrastructure Australia to assess and report on certain nationally significant infrastructure projects that have been committed to without prior evaluation by Infrastructure Australia.

This requirement came into effect following amendments to the IA Act in December 2023.

An assessment of a proposal under Section 5DA does not and should not be used in lieu of an Infrastructure Australia evaluation of a proposal under Section 5B of the IA Act prior to the commitment of funding.

Comprehensive evaluations of well-planned, fully formed proposals prior to commitment and funding by governments helps to ensure that the right projects are developed and delivered at the right time. It also assists to minimise risk to governments from cost, time and scope increases.

The Section 5DA Report for 2025-26

Our Approach to assessment

Legislative requirement

Projects considered for an assessment must meet all four criteria set out in subsection 5DA(2) of the IA Act:

a. are for investment in, or enhancements to, nationally significant infrastructure; and

b. involves expenditure by or on behalf of the Commonwealth; and

c. the Commonwealth Government's total expenditure involved in the project is more than $250 million; and

d. the Commonwealth Government has committed to the project without prior evaluation (or endorsement of evaluation) of a proposal for the project by Infrastructure Australia.

Projects must be in one or more of the sectors in Infrastructure Australia's remit: transport, energy, communications, water and social infrastructure.[1]

Expenditure can include both actual or planned expenditure.

For the 2025-26 report, no eligible projects were identified outside of the Australian Government's Infrastructure Investment Program (IIP).[2]

Section 5DA does not require Infrastructure Australia to assess all eligible projects in each financial year.

Sources of information

Projects meeting the criteria above were identified through the Federation Funding Agreement Schedules and the Mid-Year Economic and Fiscal Outlook 2025-26.

A project's stage of development and the information available to us influence the breadth and depth of the assessment we can undertake on a particular project. For example, reliance on only publicly available information may limit the depth of our analysis. The sources of information that informed our findings are described in the project assessments.

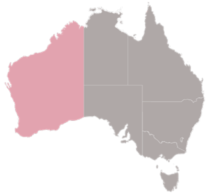
Projects selected for assessment

For the 2025-26 Report, the *Outback Way Corridor Upgrade (WA) - Great Central Road* has been selected for assessment as it meets the legislative criteria, is an active project (not closed or nearing completion), and has not been subject to evaluation under section 5B of the IA Act. The project assessment is provided on the following page.

1 As per the Government's Statement of Expectations for Infrastructure Australia and our Statement of Intent, social infrastructure will generally be considered in the context of broader place or region-based infrastructure planning and include integrated investments in other infrastructure (such as land transport).

2 The Infrastructure Investment Program (IIP) is Australia's 10-year, over $120 billion initiative to fund nationally significant land transport projects that enhance productivity, resilience, sustainability, and liveability.

Outback Way Corridor Upgrade (WA) - Great Central Road



ASSESSMENT OF A NATIONALLY SIGNIFICANT PROJECT WITH AN AUSTRALIAN GOVERNMENT COMMITMENT WITHOUT PRIOR EVALUATION BY INFRASTRUCTURE AUSTRALIA - AN ASSESSMENT CONDUCTED UNDER SECTION 5DA OF THE *INFRASTRUCTURE AUSTRALIA ACT 2008*

LOCATION	**SECTOR**	**DELIVERY PARTNER**
Western Australia	Transport	Western Australian Government
DATE OF INITIAL COMMITMENT	**DELIVERY TIMEFRAME AT DATE OF COMMITMENT**	**CAPITAL COST AT DATE OF COMMITMENT**
February 2022	Construction start: TBC Completion by: 2030[3]	$595.625 million[4]

SCOPE AT COMMITMENT

The project will deliver the remaining upgrade and sealing works for the Western Australia (WA) section of the Outback Way (known as the Great Central Road in WA).

FUNDING COMMITTED

Australian Government: $476.5 million

WA Government: $119.125 million

Assessment Summary

- The 2,720 km Outback Way is Australia's only direct east–west corridor across the centre of the continent, connecting Laverton in WA with Winton in Queensland (QLD). Over 1,400 km of the route remains unsealed, including approximately 736 km of the 872 km Great Central Road, which forms the WA section of the route.
- The Australian Government commitment of $476.5 million towards the $595.6 million project will seal the remainder of Great Central Road, building on previous investments to progressively seal the full route across WA, the Northern Territory (NT) and QLD.
- This project supports realising the full benefits of sealing the Outback Way and to improve freight reliability, safety, and economic growth. The upgrade will improve access and reduce travel times, benefiting remote communities and industries.
- Infrastructure Australia strongly supports ongoing investment in the Outback Way. Sealing of the corridor was included on the Infrastructure Priority List in 2021, recognising the constraints on productivity and freight efficiency as well as the impacts of the current road condition on safety, resilience and social equity.
- Infrastructure Australia recommends that the Australian Government confirms delivery and construction timeframes with the WA Government. We also recommend the Australian Government utilises lessons learned from the strong governance model, in terms of stakeholder collaboration, prioritisation and sequencing, to enhance the planning and investment of future significant program and precinct projects.

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3 WA Ministerial Statement
4 October Budget 2022-23 Schedule - Western Australia

Project description

The Outback Way is a 2,720 km nationally significant inland east–west corridor linking WA, the NT and QLD, supporting remote communities, tourism and nationally important production regions.

The condition of the WA section limits the corridor's ability to function reliably as an end-to-end national freight and connectivity link. Unsealed surfaces and variable standards increase travel time variability, closure risk, safety hazards and vehicle operating costs, particularly where long-distance movements enter and exit WA. Between January 2021 and December 2025, the unsealed sections within the Shire of Laverton recorded 3 fatal crashes and 5 hospitalisation crashes, compared with no fatal crashes and 3 hospitalisation crashes on the sealed sections of the Great Central Road.[5]

In 2019, the Australian Government released *Upgrading the Outback Way*, an investment strategy which set out the Australian Government's approach for investing its $330 million commitment to upgrade the route for sections within WA, NT and QLD.[6] In 2022, the Australian Government announced a further commitment of $678 million to seal an additional 1,000 km of the Outback Way, including $400 million to complete the remaining 872 kilometres of the WA Section (Great Central Road).[7,8] This commitment built on the $76.5 million committed in 2018 to seal priority sections of the Great Central Road.

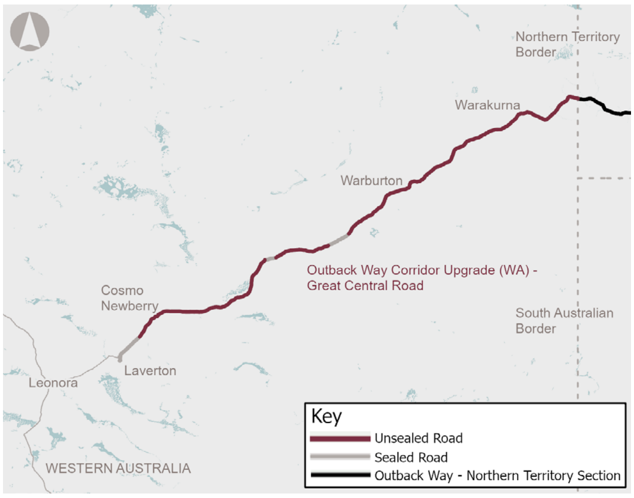

Figure 1: Outback Way (WA) - Great Central Road

Figure 2: Outback Way Corridor

Changes since the commitment was made

There have been no announced changes to the scope, time or cost of the project since the 2022 commitment was made.

However, given the project is still in the planning phase, full delivery of the project is unlikely to occur within the previously announced timeframe (by 2030) by the WA Government.[9] This in turn, may result in increased costs to deliver the full project.

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5 Data provided by the Western Australian Government
6 Upgrading the Outback Way - March 2019
7 Commonwealth of Australia Budget 2022-23, p10
8 WA Ministerial Statement
9 WA Ministerial Statement

Expected benefits

Upgrading the WA section has national productivity and resilience benefits. The Australian Government's *Upgrading the Outback Way strategy*[10] seeks to reduce travel time for all users, reduce costs to freight operators while improving reliability and reducing vehicle costs, open up opportunities for industries across the region and improve the overall safety of the route.

The Great Central Road is a lifeline route for remote Indigenous communities of Cosmo Newberry, Warburton, Mantanaru, Wanarn and Warakurna,[11] supporting supply deliveries, essential services, emergency response and community connectivity. Current conditions heighten isolation risk during adverse weather and expose road users to safety hazards such as dust, corrugations and fatigue. Sealing the WA section will improve all-weather access, safety, service reliability and social equity outcomes.

Unsealed lengths also constrain heavy vehicle productivity and freight efficiency. Sealing would improve travel time reliability, reduce operating costs and disruptions and strengthen resilience. These benefits are increasingly important under conditions of greater climate variability.

Sealing the WA section would also support economic development by benefiting tourism, agricultural supply chains and mining activity across jurisdictions. Of particular significance are time-critical emergency freight movements supporting mining operations, where sealing could reduce delivery times by 12–15 hours by providing a more direct route for these deliveries, providing productivity gains.

Use of First Nations suppliers and employment on the project will support Closing the Gap objectives by strengthening economic participation, employment and business opportunities for First Nations people in remote regions and ensuring infrastructure investment contributes to improved social and economic outcomes for communities directly connected to the corridor.

Identified risks

Construction of the project is subject to ongoing climate-related resilience risks such as extreme rainfall and flooding, extreme heat, erosion and bushfire impacts. These risks are particularly acute given the corridor's remoteness and flat topography.

The extreme remoteness of Great Central Road between Laverton and the NT border has potential to impact construction of the project through limited contractor availability, increased mobilisation costs and disruptions to supply chain and logistics. These risks are partially mitigated through the progressive construction timeframe and focus on uplifting capability and capacity of local businesses and resources.

Discussions regarding land access agreements with relevant Land Councils and Native Title holders are ongoing and reflect the scale of the corridor and the number of First Nation groups involved. While this may increase the delivery schedule, the time required for culturally appropriate consultation, heritage assessments and development of employment opportunities are central to benefits realisation.

As full delivery of the project is unlikely within the current timeframe, there is an increased risk to overall delivery costs.

Commentary

The Outback Way road access proposal was previously listed on the Infrastructure Priority List in February 2021. The assessment of the proposal recognised problems associated with unsealed sections along the whole Outback Way corridor, including the constraints on heavy vehicle productivity and freight efficiency, safety hazards and the adverse effects on economic growth for remote and regional communities along the route.

Investments on the Outback Way align with the Australian Government's Infrastructure Policy Statement's strategic themes of productivity and resilience, and liveability, by improving safety and equitable access to essential services for remote and regional communities and improving the performance, reliability and redundancy for freight movements, enabling more consistent all weather access and more predictable corridor availability as climate variability increases.

10 Upgrading the Outback Way - March 2019
11 Outback Way Australia's Longest Shortcut

It also aligns with broader Australian Government policies and strategies, including the National Agreement on Closing the Gap, Northern Australia Action Plan 2024-2029, the National Road Safety Strategy 2021-2030 and the National Freight and Supply Strategy.

The *Upgrading the Outback Way* Investment Strategy demonstrates a robust, transferable model for planning and prioritising road transport corridor investments, including those across jurisdictions. The approach has combined strong cross-jurisdictional governance and stakeholder engagement, ensuring that investment decisions have been informed by local knowledge, industry needs and shared strategic objectives across the Commonwealth, WA, NT and QLD.

Project prioritisation for the entire Outback Way used a transparent two-tiered assessment process to rank corridor sections and individual works based on safety, productivity, serviceability and cost effectiveness. This approach enabled funding to be staged and directed to the areas of greatest need and highest expected benefit, while keeping the core objective—realising the full benefits of sealing the entire route—central to decision making. Strong interjurisdictional coordination and strategic planning across the whole corridor underpinned this approach, helping to avoid fragmented delivery that could undermine overall corridor performance.

The success of the investment strategy highlights the critical role of the Australian Government in providing strong intergovernmental coordination, enabling shared decision-making, alignment of priorities and sustained collaboration over multiple funding cycles. Infrastructure Australia recommends that the Australian Government utilises lessons learned from the governance model to enhance the planning and investment of future significant program and precinct projects.

Overall maintenance needs for the sealed road are expected to be lower than that for the current unsealed road. With the project increasing WA's total sealed road network by 5%, the phased construction schedule has been developed to minimise operational disruptions and optimise resource allocation for asset management and maintenance activities as each completed section is brought into operation.

The WA Government is also providing funding support to local governments to maintain the sealed road. Consideration has also been given to the long-term impact on skills development and community capacity to support the increase in road maintenance required. Given the substantial requirement to maintain the Outback Way once sealed, establishing a robust maintenance program, potentially with capability and capacity within the route's communities, would address ongoing needs effectively. We expect that lessons learnt regarding whole of lifecycle and operating cost considerations will be captured in the post-completion review of the project.

The WA Government should be commended for their focus and engagement with local First Nations people and businesses, which remains a central focus of the Outback Way sealing project. The WA Government takes an 'Onion Model' approach to procurement, which prioritises First Nations engagement and employer and supplier-use opportunities with Traditional Owners before broadening progressively outwards to First Nations peoples in the project area, followed by local government area and region. This approach is also being pursued on the Tanami Road sealing project.

Project planning also consciously developed the delivery timeframe to facilitate training and employment opportunities for First Nations peoples along the project route. The initial work package, funded through a previous commitment, covering a 40-kilometre section east of Laverton, was delivered under a partnership alliance, known as the Wongutha Way Alliance (WWA).

The WWA implemented a construction training program for 13 local First Nations participants, focusing on road construction and plant operation. Practical, on-the-job training supported participants as they worked towards a Certificate III in Construction and included establishing a road construction school in Laverton.[12,13,14] A similar approach is being pursued on the current work packages to grow capacity and capability of local First Nations businesses and support education, training and employment for these communities along the route.

Australian Government funding for the project will be administered under the Federation Funding Agreement Schedule on Land Transport Infrastructure Projects. Funding will be released on the achievement of project milestones after satisfactory evidence has been submitted to confirm milestone deliverables have been completed.

Infrastructure Australia recommends the Australian and WA Governments conduct a benefits realisation review of this program to identify learnings that can be applied to other infrastructure programs nationally.

This assessment has been informed by publicly available information and information provided by the Australian and WA governments regarding the initial funding commitment in 2022 and the current status of the project.

12 Outback Way Australia's Longest Shortcut
13 Outback Way Project Update October 2020
14 Outback Way Project Update June 2021

Infrastructure Australia is the Australian Government's independent adviser on nationally significant infrastructure investment planning and project prioritisation

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