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First Things First: the release of the 20 year State Infrastructure Strategy

Infrastructure NSW today released the State Infrastructure Strategy which recommends 70 projects and reforms that should take priority over the next five, 10 and 20 years to drive productivity and economic growth.

If effectively implemented, these priorities will cost a total of \$30 billion over 20 years but will add \$50 billion to the State's economy and create an extra 100,000 jobs.

Infrastructure NSW Chief Executive Paul Broad said the State Infrastructure Strategy 2012-2032 had been developed to be affordable and realistic - and to stop the productivity slide.

The Strategy, titled "First Things First", is Infrastructure NSW's independent advice to the NSW Government to help guide future infrastructure investment. It covers urban and regional projects and reforms across transport, freight, aviation, energy, water, health, education and social infrastructure.

The Strategy is the first time in NSW that state-wide infrastructure has been prioritised and fully-costed.

"Over the past five years, NSW has doubled the amount it spends on infrastructure to more than \$70 billion yet our economy has gone backwards," Mr Broad said.

"The NSW economy is the largest and most diversified in Australia. Sydney alone contributes more to Australia's economy than the whole of the country's mining sector but we are not realising our potential.

"The NSW economy is growing 25 per cent more slowly than the Australian average, and sliding productivity is now the most significant public policy issue challenging the success of the state.

"This Strategy is about a first-things-first approach to put in place the basic platforms for growth to deliver a sustained improvement in economic performance, which will contribute to individual prosperity."

Mr Broad said Infrastructure NSW recommended where possible the need for more intensive use of existing assets and incremental improvements before committing to expensive new infrastructure.

"However, in our recommendations we have given priority to those regions and sectors where high growth potential is being constrained by inadequate infrastructure."

Key recommendations include:

- Identifying the \$10 billion "WestConnex" motorway as the highest priority project to be completed in the first 10 years.

The 33km scheme includes an extension of the M4 to Sydney Airport and duplication of the M5 East to transform Sydney's traffic congestion and support more efficient freight movements.

- Investing more than \$7.5 billion in passenger rail over the next 20 years (in addition to North West Rail Link) to drive more services through the CBD for commuters and faster journeys on intercity trains to Wollongong, Gosford and Newcastle.
- Build an underground Bus Rapid Transit system to revolutionise the Sydney CBD to take most peak buses off congested streets, delivering better travel times for passengers.
The \$2 billion project, which would be built in years 5-10, would also involve providing bus/rail underground interchanges at redeveloped Wynyard and Town Hall stations. This will also enable part of George St to become pedestrian-only.
- Investing \$9 billion in priority projects for regional NSW including fixing rail and road bottlenecks and upgrading bridges so producers can get goods to market. Other projects include new dams, better town water and road bypasses in mining communities.
- A \$500 million flood mitigation plan to reduce the potential risks to people and property in the Hawkesbury Nepean Valley, which is one of the most heavily developed and at risk floodplains in Australia.

Mr Broad said the State Infrastructure Strategy was realistic, affordable and capable of being delivered. Key points on funding and delivery include:

- The 70 recommendations total \$30 billion of additional projects and programs (excluding existing Government commitments)
- After deducting assumed user funding of \$10 billion, the incremental cost to the State is \$20 billion over 10 years.
- This averages about \$1 billion per year compared with total NSW Government capital expenditure of about \$15 billion per annum.

The Strategy's recommendations have been provided to the NSW Government for its consideration in developing plans for infrastructure investment. For further information, the Strategy can be found on www.insw.com

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