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# 2022-23 State Infrastructure Plan

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**A 5-year plan for major infrastructure for NSW**

Infrastructure NSW | June 2022

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# Acknowledgement of Country

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Infrastructure NSW acknowledges the Traditional Custodians of the lands where we walk, work and live, and pays respect to their Elders past and present.

We acknowledge and respect their continuing connection to the land, seas and waterways of NSW, and the continuation of their cultural, spiritual and educational practices.

In preparing the State Infrastructure Plan, we acknowledge the importance of Aboriginal and Torres Strait Islander people's unique history of land and water management, and of art, culture and society, that began over 65,000 years ago.



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# 1 Introduction and context

## Record investment over the past decade

The NSW Government has invested \$178 billion in infrastructure projects over the past decade. The State's spending on infrastructure has averaged around 3% of Gross State Product (GSP) since 2011, compared to just over 2% across OECD countries.<sup>1</sup> Many of these investments are now operational and have delivered transformational rail and road infrastructure, hospitals, schools, correctional facilities, sporting complexes and cultural assets.

Over the next 5 to 10 years, more infrastructure will be delivered. The December 2021 half yearly budget review announced an increase in the forward pipeline to \$110.4 billion. The 2022–23 Budget announced another record infrastructure spend of \$112.7 billion over the next 4 years.

## Opportunities and challenges ahead

Further investment is needed to accommodate population growth trends returning to pre-COVID levels along with opportunities to strengthen the competitiveness of NSW industries, capitalise on new economic opportunities and achieve the Government's social and environmental policy goals.

However, the NSW Government faces a challenging fiscal outlook. The construction industry's capacity to deliver is being challenged by the scale of investment in NSW and across Australia, and supply chains and the availability of skills have all been stretched by COVID-19 and other global events.

In this context, Infrastructure NSW provides regular advice to Government on the prioritisation of the forward pipeline to ensure existing commitments are delivered efficiently and future population and industry demands are met. The work is summarised in this 5-year *2022–23 State Infrastructure Plan*. Further project-level information is included in the Major Infrastructure Pipeline which is provided as an appendix to this document (Appendix A).

### Box 1

#### Five-year State Infrastructure Plan

*The 2022–23 State Infrastructure Plan (SIP)* delivers on the requirement of the *Infrastructure NSW Act 2011 (the Act)*<sup>2</sup> to produce an annual infrastructure plan for NSW. It provides a 5-year plan of major infrastructure projects and has regard to the newly released 20-year State Infrastructure Strategy (Box 3). The NSW Infrastructure Pipeline (the Pipeline) forms an appendix to this document and provides project-specific information (Appendix A).

Consistent with the requirements of the Act, the SIP outlines:

- ▶ the short and long-term policy objectives underpinning the Government's investment decisions
- ▶ market conditions influencing the delivery of projects
- ▶ the estimated cost of projects
- ▶ the estimated timeframe for the delivery of projects.

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## 2 Keeping pace with the community's growing and evolving needs

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*Staying Ahead: State Infrastructure Strategy 2022-2042* provides details on the key trends that are expected to impact future demand for infrastructure in NSW. This has informed the State's infrastructure priorities for this Budget with key trends summarised in this section.

### Infrastructure will need to meet the community's growing and evolving needs

Prior to the COVID-19 pandemic, NSW's population had been growing strongly at an average annual rate of 1.4%.<sup>3</sup> This fell sharply throughout the COVID-19 pandemic, as a result of international border closures. The past 2 years also saw people moving from major metropolitan centres, like Sydney, to regional areas. While this movement has been small in the context of the population of large cities, it can be significant for regions and puts pressure on housing markets and services in regional centres. Despite this, population growth is expected to return to past trends and with it demand for infrastructure will rise.<sup>4</sup>

At the same time, Government services will need to adapt to changing demographics and customer preferences. For example, the pandemic saw greater acceptance and expectation of digitally delivered services, including home-based virtual care, disability services, remote learning, and virtual courts.

### Mismatch between infrastructure and land use planning has held back housing growth

In the context of a growing population, housing supply and affordability remain a challenge and priority for the NSW Government. Access to housing supports participation in work, education, and the community.<sup>5</sup> Workers often avoid accepting employment in areas where appropriate housing is unavailable. This is a particularly prominent issue in regional NSW, where lack of housing is reported as a significant impediment to attracting workers.

Adequate housing supply requires timely provision of infrastructure aligned with rezoning and approvals, such as road upgrades, social and community infrastructure, and public space.<sup>6</sup> This has been a challenge for housing developments in numerous locations. In greenfield areas, slow provision of enabling infrastructure has been an impediment to development in Western Sydney, the Hunter region and parts of regional NSW.

In areas where higher density development is appropriate, insufficient social and community infrastructure has been a concern for communities. This has often led to lower density development than what had been envisaged. The Government is supporting liveability across the State, including through various walking and cycling projects, such as the Sutherland to Cronulla Active Transport Link (Stage 2), and social infrastructure, such as the Statewide Mental Health Infrastructure Program.

**The 2022-23 Pipeline includes:**



**Transport to enable housing**

- ▶ Sydney Metro West
- ▶ Henry Lawson Drive Upgrade



**Hospitals**

- ▶ Ryde Hospital Redevelopment
- ▶ New Eurobodalla Health Service Redevelopment
- ▶ New Shellharbour Hospital and Integrated Services
- ▶ Rouse Hill Hospital



**Education**

- ▶ Murwillumbah Education Campus project
- ▶ New High School in Bungendore
- ▶ New Primary School in Tallawong
- ▶ Wentworth Point new high school

## Unlocking productivity and economic opportunities

High quality and efficient public infrastructure is important to productivity and competitiveness.<sup>7</sup>

To support future economic prosperity and growth, the NSW Government is planning new precincts. These include Greater Sydney precincts such as Tech Central and the Bradfield

City Centre, and the regional Special Activation Precincts. The State is also seeking to more effectively capitalise on assets, resources and talent in the Six Cities region, supported by associated enabling infrastructure such as Fast Rail and Gosford TAFE.

Working alongside other Government policies, such as investment attraction, infrastructure investment will be needed to attract business and workers to these precincts.<sup>8</sup>

## Delivering on the Government's policy agenda

The scope to reduce investment levels will also be limited by the need to maintain a larger infrastructure asset portfolio, embed resilience into new and existing assets, manage major transitions in energy and water, and realise new economic opportunities.

**This Pipeline includes:**



**Economic growth**

- ▶ Wagga Wagga Special Activation Precinct
- ▶ Moree Special Activation Precinct
- ▶ Sydney Metro West – Hunter Street Station and Precinct, Precinct Development Partner
- ▶ Central Precinct Renewal Program (In planning)

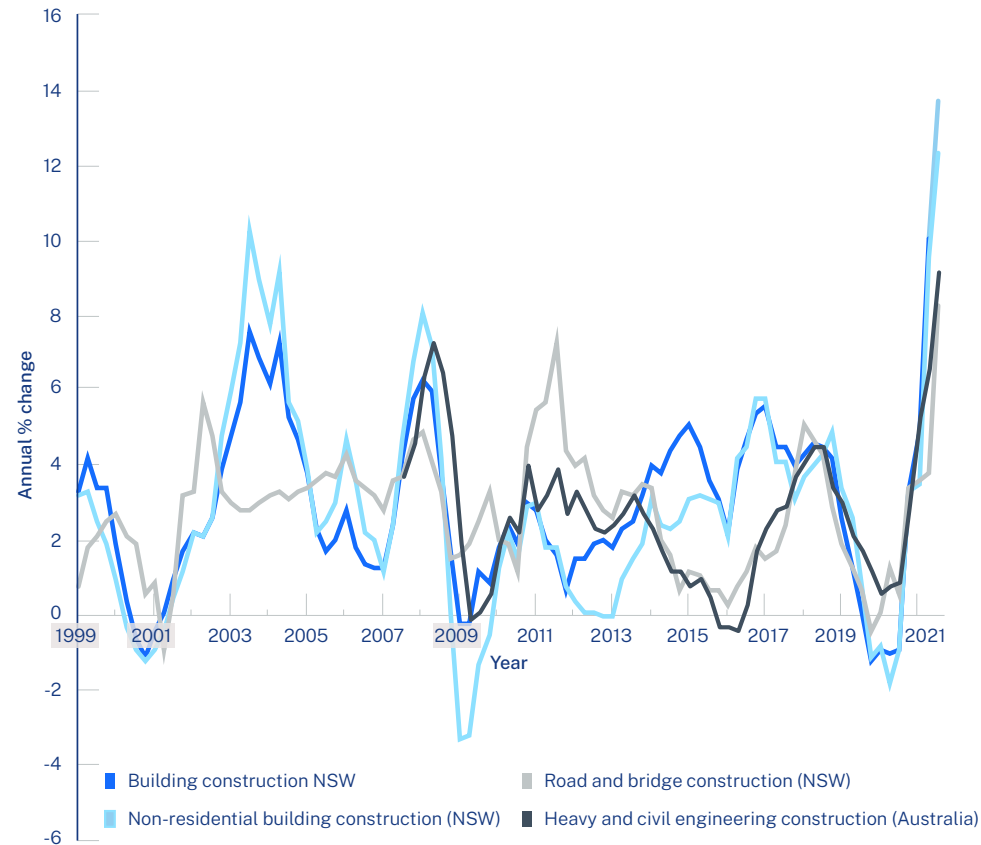
# 3 Current market conditions and challenges

The NSW Government faces fiscal and market capacity challenges in delivering its infrastructure program. Effective delivery of projects and good value for money for taxpayers are key considerations for the Government in this constrained environment. Infrastructure NSW has highlighted these challenges through several channels that are outlined in this section.

## Rising costs and inflation increase the risk of cost blowouts, project delays and market disruption

The past year has seen the largest increase in construction costs on record (Figure 1).<sup>9</sup>

Figure 1: Construction Cost Inflation – annual percentage change in Producer Price Indexes



Source: Australian Bureau of Statistics, 6427.0 Producer Price Indexes, Australia, Table 17

Cost increases have been driven by local and global supply constraints for key inputs – timber, metals, steel and crude oil, alongside high freight costs and skilled trade shortages.<sup>10</sup> These reflect supply and labour force disruptions from COVID-19 and the war in Ukraine, alongside strong global demand.

Existing market pressures have been exacerbated further in areas affected by natural disasters, such as La Niña rain events that have caused significant project delays across the eastern seaboard, and the recent flooding events in the NSW Northern Rivers region, decimating housing and infrastructure in some local communities.

The current pace of cost escalation is a significant challenge for the Government’s fiscal planning and the commercial viability of parts of the construction sector. Cost estimates developed during project planning are used by the Government to make funding commitments and form the basis of contracts. However, in an environment of rising and volatile prices, these estimates can vary significantly by the time a project is in delivery, leading to cost overruns and commercial disputes.

## Market capacity is challenged by megaprojects

Several large, complex projects (also known as ‘megaprojects’) are already in delivery, alongside many mid-sized projects and programs. These projects will support the delivery of the Government’s broader economic, social and environmental objectives (Figure 2).

**Figure 2: Examples of large projects in delivery or procurement**





However, even before the recent materials shortages and escalation in construction costs, Infrastructure NSW had identified the delivery of megaprojects as a challenge in its own right. Megaprojects are complex and bespoke in design. They require deep technical investigation, detailed community engagement, careful property acquisition, resource planning and significant upfront investment to de-risk construction. Their sheer size and complexity means they are 49% more likely to face risks to project budgets and timelines compared to projects with a value of less than \$1 billion.<sup>11</sup>

Further, megaprojects can often only be delivered by a limited number of firms and place high demand on limited skilled resources. As such, they pose a huge strain on limited infrastructure planning and delivery resources, and often take many years to go from planning to procurement and delivery.

Reflecting these capacity constraints, the *2022 State Infrastructure Strategy* recommends that the NSW Government achieves a balance between megaprojects and medium-sized and smaller investments that can be delivered in staged programs (Box 3). It also recommends that the Government consider the timing and sequence of large projects to diversify the State's investment program and mitigate delivery risks.



#### Megaprojects in the pipeline

- ▶ Sydney Metro – Western Sydney Airport – Stations, Systems, Trains, Operations & Maintenance
- ▶ Western Harbour Tunnel Package 2
- ▶ Parramatta Light Rail Stage 2 Enabling Works (Wentworth Point Bridge)

### Delivering the existing infrastructure program is a priority

Recognising these challenges, the NSW Government is focused on successfully delivering its existing commitments. The NSW Government, through Infrastructure NSW and in close collaboration with industry, has already adopted several initiatives to mitigate the risks posed by market capacity and cost challenges (Box 2).

The *NSW Government Action Plan: A 10 point commitment to the construction sector* recognises that the NSW Government can only achieve its ambitious infrastructure objectives in partnership with the construction industry.<sup>12</sup> The 10 Point Commitment is implemented through the Construction Leadership Group where Government agencies work closely

with industry to align the infrastructure pipeline with what the market can deliver in a timely and cost-effective way, and share learnings and best practice across industry and agencies.

With the reopening of international borders, increasing labour supply will be another critical input to successful delivery of the infrastructure program.

## Box 2

### NSW Government actions to mitigate market pressures

Current delays, along with capacity and cost pressures in the infrastructure delivery market require flexible approaches to identifying, mitigating and allocating these risks. In response, the NSW Government has implemented several policy measures including:

- ▶ reforms to procurement processes for large, complex infrastructure projects, which are set out in the *Premier's Memorandum on Procurement for Large, Complex Infrastructure Projects* and its guiding Framework.<sup>13</sup> Example practices include de-risking projects through early works and early market engagement, dividing large, complex infrastructure projects into smaller packages to increase potential participation by a wider variety of firms, recognising elements of works that cannot be readily priced in lump sums, and reducing the cost of tendering
- ▶ work done in partnership with industry to ensure a safe re-opening of the construction sector following the COVID-19 construction pause in 2021 and support for settlement of claims through consistent commercial guidelines
- ▶ the *Timely Information on Infrastructure Projects Guide*, which ensures project announcements do not anchor costs, milestones and design ahead of appropriately detailed planning and design being completed<sup>14</sup>
- ▶ the *NSW Government Cost Control Framework*, which enables a consistent approach to cost control, transparency over cost management, as well as accountability for the outcomes of cost control<sup>15</sup>
- ▶ the *Commercial Principles for Infrastructure Projects*, which were developed in consultation with industry to provide a consistent, reasonable and equitable approach to developing contractual terms for capital projects<sup>16</sup>
- ▶ efforts to alleviate cost pressures on the residential building sector impacted by delays and cost increases through partnership with the Office of the Building Commissioner and the Small Business Commissioner
- ▶ transparency and visibility of upcoming procurements via publication of the NSW Major Infrastructure Project Pipeline (Appendix A)
- ▶ bringing together industry participants to progress construction industry culture, diversity and well-being initiatives, including partnering with industry to meet Infrastructure Skills and Legacy Program (ISLP) targets and piloting the 5-day work week on the Concord Hospital project.

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# 4 Infrastructure investment directions

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## Government priorities informing the 2022–23 NSW Budget

In the context of fiscal and construction market conditions, the NSW Government's 6 priority policy areas have informed the investment decisions in the 2022–23 Budget. These priorities include:

- 1. Quality of life:** Making ends meet for families and ensuring NSW is the best place to live, work and raise a family regardless of postcode.
- 2. Strong foundations, lifelong learning:** Helping every child to reach their potential to make NSW the smartest state.
- 3. Home ownership:** Taking steps to ensure more NSW citizens have the opportunity to own their own home.
- 4. Modern government:** Providing accessible, affordable and world-class services.

- 5. Manufacturing:** Growing the NSW economy through job creation, new industries, and investment attraction.
- 6. Six Cities vision:** Expanding the existing three cities vision to include the Central Coast, Newcastle and Wollongong.

These are supplemented by 3 reform priorities to boost productivity:

- 1.** Women's economic opportunities
- 2.** Science & technology and an agile & skilled workforce
- 3.** A sustainable, clean and resilient economy

These priorities, coupled with previously mentioned market and fiscal challenges, have informed the development of the infrastructure pipeline.

## Significant commitments in this Pipeline

In the 2022-23 Budget, the NSW Government is staging the delivery of its new megaprojects to better align the Pipeline with market capacity. In particular:

- ▶ A \$602.4 million commitment to Parramatta Light Rail Stage 2 will allow the Government to initially focus on delivering a bridge connection across the Parramatta River between Wentworth Point to Melrose Park and allow detailed planning work to get underway for the remainder of the project. This project is designed to support housing growth in the Central River City. It is consistent with the approach in the State Infrastructure Strategy to continue with smaller scale no-regrets enabling works, corridor reservation and planning, and with the *Premier's Memorandum on Procurement of Large, Complex Projects*, which recommends staging and packaging as well as de-risking projects through early works.

- ▶ Similarly, a \$500 million commitment to Fast Rail is for the first stage of the Northern Corridor that will ultimately better connect Sydney to the Central Coast and then Newcastle. This is consistent with the Government’s Six Cities vision and also consistent with the programmatic approach to Faster Rail recommended in the State Infrastructure Strategy.

### Box 3

#### Staying Ahead: State Infrastructure Strategy 2022–2042

In May 2022, Infrastructure NSW released *Staying Ahead: State Infrastructure Strategy 2022–2042* (2022 SIS). The 20-year Strategy sets out Infrastructure NSW’s independent advice to the NSW Government on the State’s needs and strategic priorities for infrastructure over the long term.

The strategy acknowledges the need to maintain a strong investment pipeline by selecting high-value programs that can be delivered in a sustainable manner. This includes shifting the mix of investments towards smaller and medium-sized projects that leverage the transformative investments of the past decade and sequencing large complex projects to ensure the market can deliver projects sustainably.

The 2022 SIS is framed around 9 long-term objectives that are expected to inform NSW Government decision making in the coming years. These objectives link to the Government’s policy and reform priorities, including through supporting the competitiveness of NSW’s industries, quality of life through high quality services, the State’s resilience and the transition to a net zero economy.

#### Staying Ahead: State Infrastructure Strategy 2022–2042 – 9 long term objectives

- |                                                                                     |                                                         |                                                                                       |                                                         |
|-------------------------------------------------------------------------------------|---------------------------------------------------------|---------------------------------------------------------------------------------------|---------------------------------------------------------|
|    | Boost economy-wide productivity and competitiveness     |    | Protect our natural endowments                          |
|  | Service growing communities                             |  | Harness the power of data and digital technology        |
|  | Embed reliability and resilience                        |  | Integrate infrastructure, land use and service planning |
|  | Achieve an orderly and efficient transition to Net Zero |  | Design the investment program to endure                 |
|  | Enhance long-term water security                        |                                                                                       |                                                         |

# 5 The 2022-23 to 2026-27 Project Pipeline

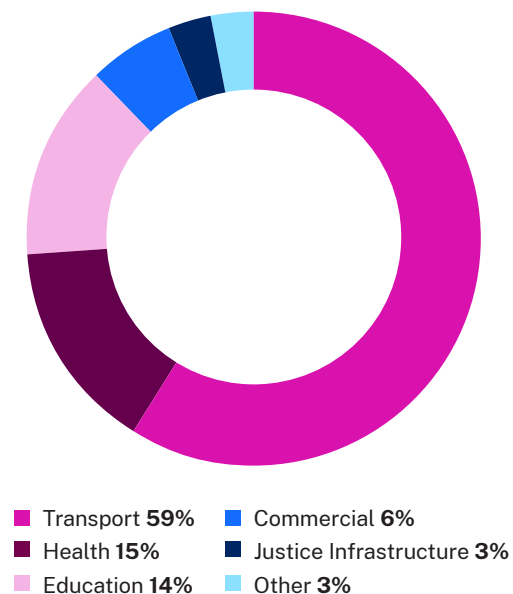
The NSW Major Infrastructure Pipeline provides a forward view of the NSW Government infrastructure projects expected to come to market valued over \$50 million. It consists of two lists: projects funded for delivery and projects with funds committed for planning.

The purpose of the NSW Major Infrastructure Project Pipeline is twofold. As well as providing the project list for the SIP, it fulfils *The NSW Government Action Plan: a ten point commitment to the construction sector* (Commitment 4): regular publication of a “whole of government” pipeline detailing projects which are planned or likely to come to market over the following 3-5 years.

The increased engagement and transparency of upcoming work allows industry to plan for their future including resourcing and capacity. It also enables industry to target projects they may be better suited to deliver from a capacity and time perspective. This ensures healthy and sustainable competition in the market and successful delivery of major infrastructure. As such, this document differs from the complete NSW infrastructure program, as projects are removed from the list once contracts have been awarded.

The 2022-23 Pipeline consists of 147 infrastructure projects, of which around half have received a funding commitment for delivery while the other half are in planning. The transport sector continues to account for the majority of the Pipeline (59% of projects). This is followed by the health (15%) and education (14%) sectors (Figure 3).

**Figure 3: Share of NSW Government major infrastructure projects in pipeline and planning, by sector, 2022-23 to 2026-27**



Source: Infrastructure NSW

Note: Excludes projects under \$50 million. Shares might not add up to 100% due to rounding.

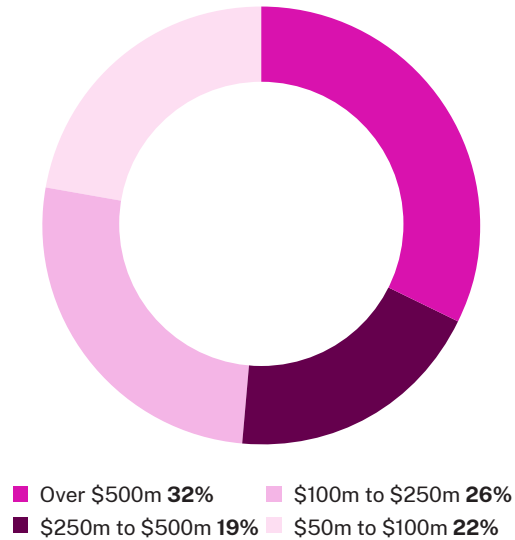


The composition of the committed projects, both by size and sector, has remained largely unchanged relative to the previous Pipeline published in 2021. This reflects that infrastructure projects have long lead times, due to planning processes, and changes in the Government’s portfolio of projects occur gradually over several years.

In contrast, there has been a shift in the projects in planning. The share of projects valued between \$50 to \$100 million, the smallest category in the Pipeline, has risen by 13 percentage points compared to the Pipeline published in 2021. This represents a shift toward investments that are more locally targeted, seek to promote quality of life through access to services and amenity, and are designed to leverage past investments.

Among the projects funded for delivery (that is, excluding those currently in planning), projects at the construction procurement and design stages account for 76% (Figure 6). This highlights the current strength of demand for construction services and is indicative of the pressures on market capacity (as discussed in Section 3). See Appendix A for the complete *NSW Major Infrastructure Project Pipeline as of 20 June 2022*. Note that the Pipeline is hosted on the Infrastructure NSW Pipeline portal website and updated periodically throughout the year as major contracts are awarded.

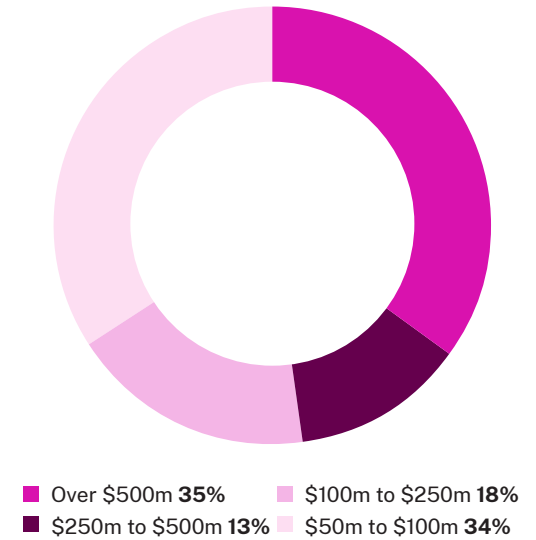
**Figure 4: Share of NSW Government infrastructure, projects in pipeline, by ETC 2022-23 to 2026-27**



Source: Infrastructure NSW

Note: Excludes projects under \$50 million. Shares might not add up to 100% due to rounding.

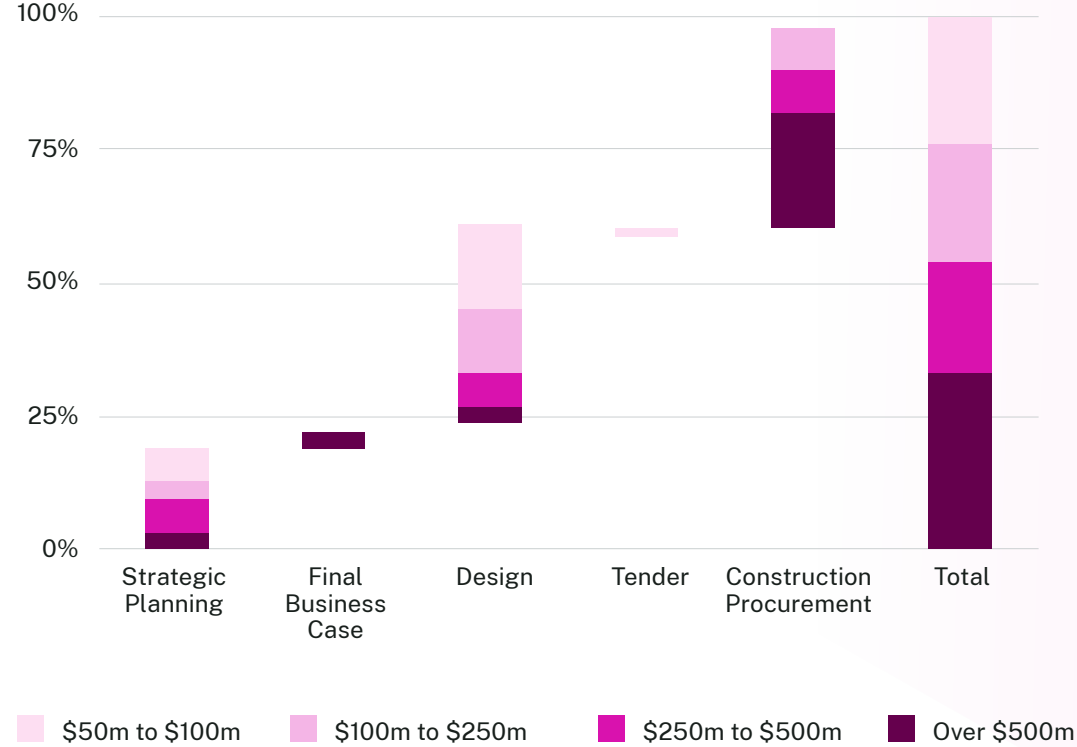
**Figure 5: Share of NSW Government infrastructure, projects in planning, by ETC 2022-23 to 2026-27**



Source: Infrastructure NSW

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**Figure 6: Share of NSW Government infrastructure pipeline by current project phase, 2022-23 to 2026-27**



Source: Infrastructure NSW  
 Note: Excludes 'rolling program' projects.

# Appendix A

## NSW Major Projects Pipeline

The NSW Infrastructure Pipeline provides a forward view of infrastructure under development by the NSW Government. It includes infrastructure projects with a minimum capital value of \$50 million.

Sector	Project name	Estimated Value	Procurement Strategy	Current Phase	Procurement Start Date (est.)	Construction Start Date (est.)
Arts & Culture	Powerhouse Ultimo Renewal	\$\$\$	TBA	Construction Procurement	TBA	TBA
Commercial	Wagga Wagga Special Activation Precinct	\$\$	TBA	Design	Q3 2022	Q3 2023
Commercial	Moree Special Activation Precinct	\$\$	TBA	Design	Q4 2022	Q3 2023
Commercial	Southern Connector Road	\$\$	TBA	Design	TBA	TBA
Commercial	Jindabyne Utility Upgrades	\$	TBA	Design	TBA	TBA
Commercial	Advanced Manufacturing Research Facility in Bradfield City Centre	\$\$	ECI, D&C	Design	Q3 2024	Q3 2025
Commercial	Bradfield City Centre Stage 1 Enabling Works	\$\$\$\$	CO, D&C	Rolling Program	Ongoing	Ongoing

### Key

#### Definition of Procurement Strategies

ECI – Early Contractor Involvement  
 VECI – Very Early Contractor Involvement  
 CO – Construct only  
 D&C – Design and Construct  
 DF&C – Design, Finalisation and Construct  
 DP – Delivery Partner  
 MC – Managing Contractor  
 ITC – Incentivised Target Cost

A – Alliance

PPP – Public Private Partnership  
 CD&C – Collaborative Design & Construct

#### Definition of Current Phase

Strategic Planning – Preparation to approval of strategic business case  
 Final Business Case – Preparation to approval of final business case

Construction Procurement – Preparation, approval and release of procurement documents  
 Rolling Program – Rolling program with ongoing procurement and delivery

#### Definition of Estimated Project Values

\$ = \$50M to \$100M  
 \$\$ = \$100M to \$250M  
 \$\$\$ = \$250M to \$500M  
 \$\$\$\$ = Over \$500M

#### Definition of Dates

Procurement Start Date – Estimated commencement date for construction procurement of main works and may include enabling works  
 Construction Start Date – Estimated commencement date for construction of main works and may include enabling works  
*Dates may be subject to change.*

Sector	Project name	Estimated Value	Procurement Strategy	Current Phase	Procurement Start Date (est.)	Construction Start Date (est.)
Justice Infrastructure	Protect Highly Sensitive Data (Phase 2)	\$\$	Various	Rolling Program	Ongoing	Ongoing
Justice Infrastructure	Sustaining Critical Infrastructure Program (Phase 1 and 2)	\$\$	Various	Rolling Program	Ongoing	Ongoing
Transport	Sydney Metro City & Southwest – Bankstown Station and Associated Works	\$\$\$	D&C	Construction Procurement	Ongoing	Q3 2022
Transport	Sydney Metro West – Eastern Tunnelling	\$\$\$\$	ITC	Construction Procurement	Ongoing	Q2 2023
Transport	Sydney Metro West – Parramatta Integrated Station	\$\$\$\$	D&C	Construction Procurement	Q4 2023	Q4 2025
Transport	Sydney Metro West – Hunter Street Station and Precinct, Precinct Development Partner	\$\$\$\$	D&C	Construction Procurement	Ongoing	Q4 2025
Transport	Sydney Metro West – Line Wide Systems	\$\$\$\$	TBA	Construction Procurement	Q4 2022	Q1 2025
Transport	Sydney Metro West – Trains, Signalling, Maintenance and Operations	\$\$\$\$	TBA	Construction Procurement	Q4 2022	Q1 2026
Transport	Western Sydney Airport – Stations, Systems, Trains, Operations & Maintenance	\$\$\$\$	PPP	Construction Procurement	Ongoing	Q3 2023

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Sector	Project name	Estimated Value	Procurement Strategy	Current Phase	Procurement Start Date (est.)	Construction Start Date (est.)
Transport	Sydney Metro West – Stations Package West (Westmead, North Strathfield, Burwood North, Five Dock)	\$\$\$\$	D&C	Construction Procurement	Q4 2022	Q1 2025
Transport	Sydney Metro West – Sydney Olympic Park Integrated Station	\$\$\$\$	D&C	Construction Procurement	Q4 2022	Q4 2024
Transport	Sydney Metro West – Station Systems (Frameworks)	\$\$\$	Various	Construction Procurement	Ongoing	N/A
Transport	Sydney Metro West – Pyrmont Integrated Station	\$\$\$\$	D&C	Construction Procurement	Q4 2023	Q4 2025
Transport	Sydney Metro West – The Bays (Potential Standalone Integrated Station & Precinct or as part of Stations Package West)	\$\$\$\$	D&C	Construction Procurement	Q4 2022	Q1 2025
Transport	Appin Road Improvements	\$	CO	Design	Q1 2023	Q4 2023
Transport	Great Western Highway between Katoomba and Lithgow – Katoomba to Blackheath	\$\$\$\$	CD&C	Design	Q4 2022	Q2 2024
Transport	Great Western Highway between Katoomba and Lithgow – Medlow Bath upgrade	\$\$	CO	Construction procurement	Q1 2022	Q1 2023
Transport	Henry Lawson Drive Upgrade – Stage 1	\$	CO	Design	Q3 2022	Q1 2023

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Transport	M1 Pacific Motorway Extension to Raymond Terrace	\$\$\$\$	CD&C	Construction procurement	Q3 2021	Q3 2023
Transport	Macquarie University Station Bus Interchange and layover	\$	CO	Design	Q2 2023	Q1 2024
Transport	Manns Road Upgrade, Stockyard Place to Narara Creek Road Priority Intersection Upgrades	\$	CO	Design	Q2 2023	Q1 2024
Transport	New England Highway, Muswellbrook Bypass	\$\$\$	CD&C	Design	Q4 2022	Q4 2023
Transport	New England Highway, Singleton Bypass	\$\$\$\$	CD&C	Construction procurement	Q3 2022	Q3 2023
Transport	Newell Highway, New Dubbo Bridge	\$\$	CO	Construction procurement	Q2 2022	Q4 2022
Transport	Newell Highway, North Moree Heavy Duty Pavement	\$\$\$	CO	Design	Q3 2023	Q1 2024
Transport	Pacific Highway, Hexham Straight Widening	\$\$\$	A	Construction procurement	Q1 2022	Q2 2023
Transport	Pacific Highway, Wyong Town Centre	\$\$\$	TBA	Design	Q1 2024	Q4 2025
Transport	Princes Highway Upgrade – Jervis Bay Road intersection upgrade	\$\$	CO	Design	Q4 2022	Q4 2023

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\$ = \$50M to \$100M  
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### Definition of Dates

Procurement Start Date – Estimated commencement date for construction procurement of main works and may include enabling works  
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Sector	Project name	Estimated Value	Procurement Strategy	Current Phase	Procurement Start Date (est.)	Construction Start Date (est.)
Transport	Princes Motorway Mount Ousley interchange	\$\$\$	CD&C	Construction procurement	Q2 2022	Q1 2024
Transport	The Horsley Drive, M7 Motorway to Cowpasture Road	\$\$	CO	Design	Q2 2024	Q1 2025
Transport	Western Harbour Tunnel Package 2	\$\$\$\$	ITC	Construction procurement	Q1 2022	Q1 2023
Transport	Great Western Highway between Katoomba and Lithgow – Little Hartley to Lithgow	\$\$\$\$	CD&C	Design	Q4 2022	Q2 2024
Transport	Mulgoa Road Stage 1, Jeanette Street to Blaikie Road	\$\$	A	Construction procurement	Q4 2021	Q1 2023
Transport	Central Coast Highway, Tumby Road intersection upgrade	\$	CO	Design	Q1 2023	Q4 2023
Transport	Digital Systems Tranche 2	\$\$\$\$	Various	Final Business Case	Q4 2022	Q2 2024
Transport	Great Western Highway between Katoomba and Lithgow – Coxs River Road	\$\$	CO	Construction procurement	Q1 2022	Q1 2023
Transport	M7 Widening and integration with M12 (unsolicited proposal under consideration)	\$\$\$\$	PPP	Construction procurement	Q2 2022	Q2 2023
Transport	Parramatta Light Rail Stage 2 Enabling Works (Wentworth Point Bridge)	\$\$\$\$	TBA	Final Business Case	Q2 2023	Q3 2024

## Key

### Definition of Procurement Strategies

ECI – Early Contractor Involvement  
 VEI – Very Early Contractor Involvement  
 CO – Construct only  
 D&C – Design and Construct  
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 DP – Delivery Partner  
 MC – Managing Contractor  
 ITC – Incentivised Target Cost

A – Alliance

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### Definition of Current Phase

Strategic Planning – Preparation to approval of strategic business case  
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Transport	Mona Vale Road West upgrade, McCarrs Creek Road to Powder Works Road	\$\$\$	CO	Design	Q4 2023	Q2 2024
Transport	Sutherland to Cronulla Active Transport Link (Stage 2)	\$	CO	Design	Q3 2022	Q1 2023
Transport	Urban Roads Congestion Program	\$\$	Various	Rolling Program	Ongoing	Ongoing
Transport	Western Distributor Smart Motorway	\$\$	A	Construction procurement	Q2 2022	Q4 2022
Health	Bankstown Hospital (New)	\$\$\$\$	TBA	Strategic Planning	Q4 2022	Q1 2023
Health	New Eurobodalla Health Service Redevelopment	\$\$\$	DF&C	Strategic Planning	Q2 2022	Q4 2022
Health	Manning Base Hospital Stage 2	\$	TBA	Strategic Planning	Q4 2022	Q1 2023
Health	Rouse Hill Hospital	\$\$	TBA	Strategic Planning	Q4 2022	Q1 2023
Health	Royal Prince Alfred Hospital Redevelopment	\$\$\$\$	ECI	Strategic Planning	Q3 2022	H2 2023
Health	New Shellharbour Hospital and Integrated Services	\$\$\$	TBA	Strategic Planning	Q4 2022	Q1 2023
Health	Shoalhaven Hospital Redevelopment	\$\$\$	TBA	Strategic Planning	Q2 2022	Q3 2022
Health	St George Hospital – Stage 3	\$\$	DF&C	Strategic Planning	Q4 2022	Q1 2023

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Health	Statewide Mental Health Infrastructure Program	\$\$\$\$	Various	Rolling Program	Ongoing	Ongoing
Health	Moree Hospital Redevelopment	\$	TBA	Strategic Planning	Q4 2022	Q2 2023
Health	Ryde Hospital Redevelopment	\$\$\$	DF&C	Strategic Planning	Q3 2022	Q1 2023
Health	Gunnedah Hospital Redevelopment	\$	TBA	Strategic Planning	Q4 2022	Q1 2023
Health	Glen Innes Hospital Redevelopment	\$	TBA	Strategic Planning	Q4 2022	Q2 2023
Education	Carlingford West Public School upgrade	\$	VECI, ECI	Design	Q4 2020	Q3 2023
Education	Murwillumbah Education Campus project	\$\$	VECI, ECI	Design	Q4 2020	Q2 2022
Education	New High School in Bungendore	\$	VECI, ECI	Design	Q4 2020	Q4 2022
Education	New Primary School in Tallawong	\$	VECI, ECI	Design	Q4 2020	TBA
Education	Wentworth Point new high school (formerly Sydney Olympic Park new high school)	\$\$	ECI	Design	Q1 2021	Q3 2022
Education	Jindabyne Central School	\$	ECI	Tender	Q2 2022	Q3 2022

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## NSW Major Projects Planning Pipeline

The NSW Infrastructure Planning Pipeline provides a forward view of projects under investigation by the NSW Government. It includes infrastructure projects likely to have a minimum capital value of \$50 million that the NSW Government has committed to investigating.

Sector	Project Name	Estimated Value
Social Infrastructure	Riverwood Estate Redevelopment	\$\$\$
Commercial	Narrabri Special Activation Precinct	TBA
Commercial	Snowy Mountains Special Activation Precinct	TBA
Commercial	Williamstown Special Activation Precinct	TBA
Water Infrastructure	New Dungowan Dam	\$\$\$\$
Water Infrastructure	Upgrade of Wyangala Dam	\$\$\$\$
Justice Infrastructure	Greater Sydney Metropolitan Corrections Strategy	\$\$\$\$
Justice Infrastructure	South West Sydney Community and Justice Precinct	\$\$
Justice Infrastructure	Sydney CBD Court Redevelopment	\$\$\$\$
Transport	Barton Highway upgrade Stage 2	\$
Transport	Beaches Link	\$\$\$\$
Transport	Central Coast Highway, Wamberal to Bateau Bay	\$\$\$
Transport	Circular Quay renewal (including wharf upgrade)	\$\$\$\$
Transport	Elizabeth Drive Upgrade, M7 to The Northern Road	\$\$\$\$
Transport	Fast Rail Program	\$\$\$\$
Transport	Heathcote Road, The Avenue to Princes Highway	TBA
Transport	Hill Road Widening	\$\$
Transport	Inland Rail – grade separation of road interfaces	\$\$\$\$
Transport	Intersection Upgrade at Norwest Boulevard and Lexington Drive	\$

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Sector	Project Name	Estimated Value
Transport	M5 Weave Westbound Solution, Moorebank	\$\$\$
Transport	M6 Stage 2	\$\$\$\$
Transport	Mamre Road between M4 Motorway and Erskine Park Road	\$\$
Transport	Nelson Bay Road Improvements	\$\$
Transport	Newell Highway, improve flood immunity between West Wyalong and Forbes	\$\$
Transport	Parramatta Light Rail Stage 2 Main Works	\$\$\$\$
Transport	Picton Road Upgrade Program	TBA
Transport	Pitt Town Bypass	\$
Transport	Princes Highway Upgrade – Burrill Lake to Batemans Bay	\$\$\$\$
Transport	Princes Highway Upgrade – Jervis Bay Road to Sussex Inlet Road	\$\$\$\$
Transport	Princes Highway Upgrade – Milton/Ulladulla Bypass	\$\$\$\$
Transport	Princes Highway Upgrade – Moruya Bypass	\$\$\$\$
Transport	Redfern and North Eveleigh Precinct Renewal	TBA
Transport	Southern Link Road, Horsley Park	\$\$\$\$
Transport	Sydney Trains Electrical Isolation Improvement Program – Isolation improvements including upgrading remote switching and circuit breaker replacements	\$\$\$\$
Transport	Victoria Road widening	\$\$
Transport	Central Precinct Renewal Program – Main Works	\$\$\$\$
Transport	Epping Bridge Project	\$\$
Transport	Garfield Road East and West Upgrades	\$\$\$\$
Transport	Great Western Highway between Katoomba and Lithgow – Blackheath to Little Hartley	\$\$\$\$
Transport	Mulgoa Road Upgrade Stages 2, 5A and 5B	\$\$\$

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Sector	Project Name	Estimated Value
Transport	Zero Emission Buses – Greater Sydney Tranche 1	\$\$\$\$
Transport	Burdekin Road and Townson Road Upgrade	TBA
Transport	Central Precinct Renewal Program – Priority Works	\$\$\$
Transport	Garfield Road Central	TBA
Transport	Hawkesbury-Nepean Valley Road Resilience Program	TBA
Transport	Homebush Bay Drive and Australia Avenue intersection upgrade	\$
Transport	Murray River, Swan Hill bridge replacement	TBA
Transport	New Hawkesbury River crossing at Richmond – Stage 2	\$\$\$
Transport	Pacific Highway, Harrington Road / Cooperook Road interchange	\$
Transport	Richmond Road Corridor Upgrade	TBA
Transport	Richmond Road, Elara Boulevard to Heritage Road	TBA
Transport	Richmond Road, M7 to Townson Road	TBA
Transport	Werrington Arterial Stage 2	TBA
Transport	Western Sydney Priority Bus Corridor	TBA
Transport	Wakehurst Parkway safety and capacity improvements	TBA
Health	NSW Ambulance Infrastructure Program	\$\$\$\$
Health	Temora Hospital Redevelopment	\$
Health	Bathurst Hospital Redevelopment	\$\$
Health	Cowra Hospital Redevelopment	\$\$
Health	Sydney Biomedical Accelerator as part of Tech Precinct	\$\$

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Sector	Project Name	Estimated Value
Health	Cessnock Hospital Redevelopment	\$\$
Health	Integrated Mental Health Complex at Westmead	\$\$\$
Health	Ballina District Hospital	\$
Health	Grafton Hospital Redevelopment	\$\$\$
Education	TAFE NSW Gosford Campus relocation	TBA
Education	Melonba (new primary school)	\$
Education	Concord High School Upgrade	\$
Education	Gillieston Public School (redevelopment)	\$
Education	Gables (new primary school)	\$
Education	Albury Thurgoona (new primary school)	\$
Education	Macquarie Park (new primary school)	\$
Education	Melrose Park Public School (redevelopment)	\$
Education	Ulladulla High School	\$
Education	Leppington Public School Upgrade	\$
Education	Sir Joseph Banks High School Upgrade	\$
Education	Telopea Public School Upgrade	\$
Education	Parramatta East Public School Upgrade	\$
Education	Condell Park High School Upgrade	\$
Education	Nirimba Fields (new primary school)	\$

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# Endnotes

- 1 Infrastructure NSW, [Staying Ahead: State Infrastructure Strategy 2022–2042](#), NSW Government, May 2022, accessed 7 June 2022.
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- 9 Based on Producer Price Index series published by Australian Bureau of Statistics, [Catalogue 6427.0 Producer Price Indexes Australia](#), April 2022, accessed 30 May 2022. The series start in 1998.
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- 14 Infrastructure NSW, [Timely Information on Infrastructure Projects Guide](#), NSW Government, 2022, accessed 16 June 2022.
- 15 Infrastructure NSW, [NSW Government Cost Control Framework](#), NSW Government, 2022, accessed 17 June 2022.
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Image: NorthConnex, March 2022, Transport for NSW

## Infrastructure NSW

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