

Big-ticket projects point way to resurgence

STIMULUS

Adele Ferguson

MASSIVE infrastructure spending on key road, rail and port projects would speed Australia towards economic recovery and increase the productivity of the nation.

The chairman of Infrastructure Partnerships Australia, Mark Birrell — who is also on the board of the government-backed advisory body Infrastructure Australia — said the decision to spend big on infrastructure would deliver the quick-hit stimulus the Treasury, IMF and OECD are seeking, and,

facilities and new intermodal hubs will now be able to proceed, with measurable economic returns.”

He said the focus on long-term rail and road investment was particularly welcome.

“These types of nationally significant infrastructure have been beyond the capacity of any single state to provide, so the commonwealth contribution means we can deliver new, high-quality transport infrastructure,” he said.

“This budget makes a significant, appropriate and welcome commitment to begin addressing these shortfalls.”

But he warned that more needed to be done. “Of course, in

in the longer term, reduce bottlenecks and increase efficiency.

He said revitalising and extending metropolitan rail networks was historically important and would give commuters the public transport they sought.

“Urban congestion is a significant national challenge and comes at significant national cost,” Mr Birrell said.

“It is appropriate that Australia continues to develop key infrastructure in spite of the short-term challenges brought by the global economic crisis. Australia’s infrastructure shortfalls mean that we simply cannot wait until the economy begins to recover.”

spite of the size of the budget commitment, it can be only part of the solution,” he said.

Estimates of the backlog of infrastructure range as high as \$700 billion. That means that the engagement and investment of state governments and the private sector would continue to be key to addressing infrastructure shortfalls, the IPA chairman warned.

Mr Birrell said the budget made a strong and productive commitment to deliver the kinds of infrastructure that would underpin our recovery from current economic challenges and leave Australia well positioned to seize opportunities when the global economy began to recover.

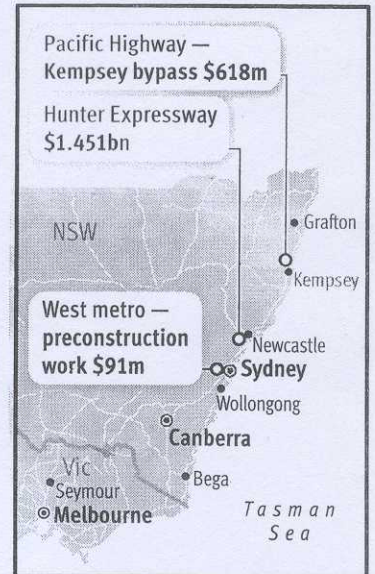
Recent figures suggest that without action, congestion on urban roads will cost the economy \$20 billion a year by 2020.

IPA has just released a report on freight, which estimates that as the population increases over the next 30 years, the country’s freight task will treble. This will require as much as \$62.5 billion to be spent each year on transport infrastructure to meet the additional demands.

“The ability to move freight seamlessly to and from key markets and export hubs is fundamental to the way Australia does business,” Mr Birrell said.

“Investment in expanded port

National broadband network \$43bn

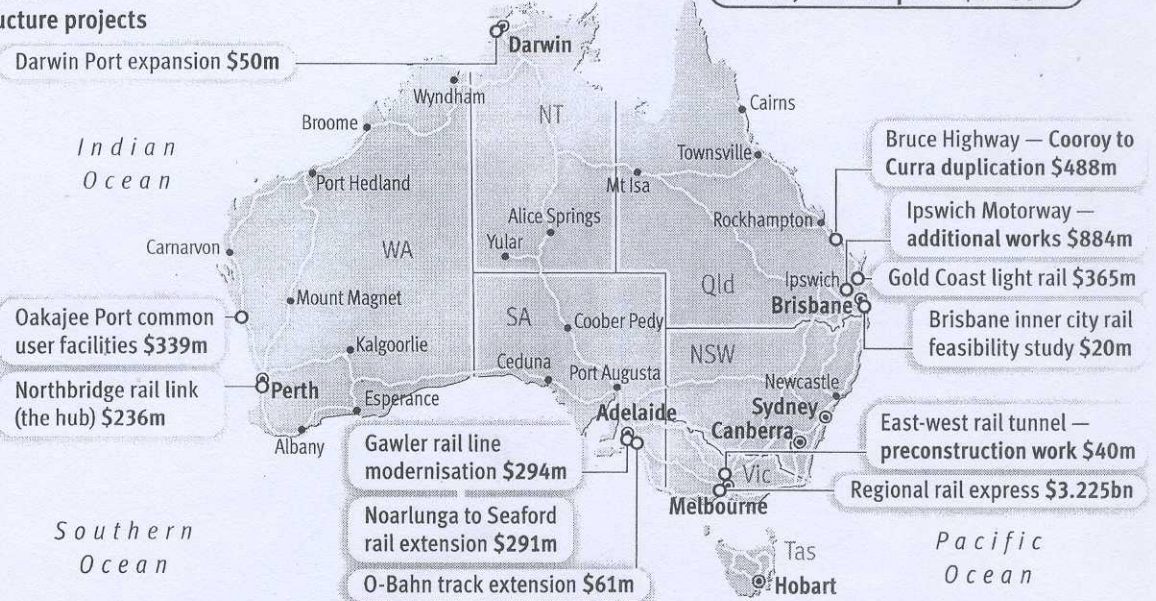


Source: budget 2009

BUILDING A FUTURE

Nation building infrastructure projects

- Clean energy infrastructure \$3.565bn
- Clean energy initiative \$3.465bn
- National energy efficiency initiative \$100m
- Education infrastructure \$2.585bn
- Health and hospital infrastructure \$3.172bn
- Hospital infrastructure \$1.465bn
- Better cancer care \$1.276bn
- Translational health research \$430m



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