

Slump in infrastructure investment

By rebecca.byfield@aussieicon.com Rebecca Byfield | September 19, 2013

Both parties highlight Australian infrastructure as priority in tomorrow's Federal Election

Earlier this week, Supply Chain Review reported on infrastructure plans released by Shadow Minister for Transport Warren Truss.

With Shadow Treasurer Joe Hockey releasing the Coalition's costings yesterday and announcing they would put infrastructure ahead of foreign aid, we follow up with a detailed look at both parties' infrastructure policies.

A release from the Coalition promises a significant infrastructure agenda made possible by cutting Labor's waste, freeing up \$42 billion in savings.

The Coalition's package will see more than \$20 billion in new or upgraded infrastructure projects that will include:

- \$6.7 billion to fix Queensland's Bruce Highway
- \$1.5 billion to ensure the Westconnex project gets underway in Sydney
- \$405 million for the Sydney F3 to M2 link
- \$1.5 billion to start construction of the East West Link in Melbourne
- \$1 billion for the Gateway Motorway upgrade in Brisbane
- \$615 million to build the Swan Valley Bypass on the Perth to Darwin Highway
- \$686 million to build the Perth Gateway project
- \$500 million to upgrade Adelaide's North-South Road Corridor
- \$400 million to upgrade the Midland Highway in Tasmania
- \$5.6 billion to complete the duplication of the Pacific Highway from Newcastle to the Queensland border
- \$300 million for the Melbourne to Brisbane inland rail freight line

"I want small business men and women to have more time building their livelihoods and less time stuck in traffic jams," Abbott says.

Labor hit back, accusing the Coalition of cutting the infrastructure budget by more than \$8 billion.

"No wonder Tony Abbott has been desperately trying to hide these

figures from Australians until the last minute. They expose his infrastructure policy as nothing more than a con job,” Rudd says.

In a release from Labor, the government points out the Coalition will scrap all funding for public transport projects including Brisbane’s Cross River Rail, Melbourne Metro, a light rail network through Perth’s northern suburbs and a new rail line to Perth airport, and the Tonsley Rail Line upgrade in Adelaide.

Labor also draws attention to the Coalition removing funding earmarked for new freight rail projects at Port Botany and in Tasmania, as well as slashing \$1.7 billion for projects in regional Australia.

The release highlights a damning list of projects that will be dumped by the Coalition including road and rail infrastructure projects in:

- New South Wales (\$427 million)
- Queensland (\$1.09 billion)
- Victoria (\$3.6 billion)
- Western Australia (\$1.04 billion)
- South Australia (\$617 million)
- Tasmania (\$679.7 million)
- Northern Territory (\$150 million)
- Nationally (\$1.75 billion)

Minister for Transport and Infrastructure Anthony Albanese says total spending on public and private infrastructure is now 42 percent higher than it was under the former government.

He also says Australia now ranks second out of 25 nations for infrastructure spending instead of 20th under the previous government.

A spokesman for Albanese says the government’s 5 year Nation Building Program, slated to start in the middle of next year, has set aside \$24 billion for infrastructure projects.

However, Hockey accuses Treasurer Chris Bowen of releasing a “half-baked list of election spending and savings items”.

“The hypocrisy of Labor is breathtaking. From the very beginning of the campaign, Bowen and Wong have called on the Coalition to release full details of all its costings,” Hockey says.

“Today, Brown confirmed Labor had included numbers in their election costings documentation that had not been independently verified by anyone except themselves.”

Hockey goes on to say the Coalition has complied fully with the Charter of Budget Honesty at all times.

Whatever happens tomorrow, Australia looks set to get record spending on infrastructure.