

Infrastructure

Asset Investment Program

A record \$30.7 billion is included in the Budget to be spent over the next four years. Of this an estimated \$8 billion will be spent in 2021-22.

Reflecting limited capacity in the civil and building construction industries, \$2.6 billion in project spending from 2020-21 and 2021-22 has been deferred into later years. This may ease some pressures in the industry and enable Local Governments to deliver projects, particularly time-bound Commonwealth funded projects. The level of investment in developing industry capacity seems small relative to the magnitude of the constraints to deliver cost effective building and construction works.

Government Trading Enterprises (Water Corporation, Western Power and Horizon Power) will be allowed to retain \$2.4 billion in dividend payments in 2021-22 to fund future infrastructure investments, including a new desalination plant with renewable energy supply, subject to future business case approvals.

Transport Infrastructure

State Roads

\$13 billion will be invested in transport infrastructure over four years. Road projects will account for \$11.7 billion, including \$4.5 billion for projects on State roads in regional WA. The projects have been previously announced and have a long development and delivery cycle. The largest expenditure is forecast on the Bunbury and Albany ring road projects. A further \$217 million is allocated to seal shoulders and install audible edge lining to over 3,300 kilometres of the network in 2021-22. Major projects in the metropolitan area include Tonkin Highway upgrades, Great Eastern Highway bypass interchanges, Mitchell Freeway extension (to Romeo Road) and widening (Hodges Drive to Hepburn Avenue).

Local Government Roads

Motor vehicle license fee revenue exceeded \$1 billion for the first time in 2020-21 and is forecast to grow by an average of 4.9% per year to the end of forward estimates period. The budget provides for road grant funding to Local Governments in line with the 20% share included in the State Road Funds to Local Government Agreement.

Additional election commitments for Local Government road improvement projects in the budget include \$18 million capped grant for three projects in the Shire of Serpentine-Jarrahdale, \$20

million in 2022-23 for Flynn Drive in the City of Wanneroo, \$5.5 million for the Green Street – Scarborough Beach Road intersection in City of Stirling and \$2.5 million for Koojan West Road in Shire of Moora.

Active Transport

\$265 million has been allocated over the next four years to upgrade cycling and pedestrian infrastructure. The vast majority of this will fund active transport infrastructure associated with major transport projects such as the Fremantle Traffic Bridge and Tonkin Highway development.

The budget provides for modest investment in Local Government managed cycling infrastructure. \$16.7 million over four years is provided for projects identified in the Perth Bicycle Network Grants and Regional Bike Network Grants programs. No further funding is identified for the Safe Active Streets program, so in total this represents a continuation of funding for bike riding at similar levels. Approximately \$5.5 million is provided through several programs for Regional trails initiatives in the south west of the State including the Local Government Areas of Albany, Harvey, Murray and Nannup.

Rail

\$5.7 billion allocated over the next four years towards 15 METRONET projects, with \$1.53 billion to be spent in 2021-22. The major projects funded in 2021-22 include completion of the Airport Link, Bayswater Station and the Morley – Ellenbrook line.

The budget includes \$199.2 million over four years to improve the performance of the agricultural freight network, with a focus on grain. This investment is part funded (80%) by the Commonwealth and includes a \$22 million election commitment to extend rail sidings at Brookton, Broomehill, Cranbrook and Moora. The proposed expenditure is included in the Public Transport Authority budget, implying rail infrastructure investment. However, no new projects are identified.

Electric Vehicles Charging

Horizon Power have included \$10.5 million and Synergy \$9 million over two years to provide 45 fast electric vehicle charging stations between Perth and Kununurra, along the south-west coast to Esperance, and east to Kalgoorlie.

Sports and Community Infrastructure

\$136 million has been allocated over four years to 45 Local Governments, sporting bodies and community groups for sports infrastructure. This includes \$20 million previously announced for revitalising East Fremantle Oval.

Health Infrastructure

The budget features the creation of a \$1.8 billion account for construction of a new Women and Babies Hospital, but this is not forecast to commence in the near future.

Only one third of the estimated \$42 million for redevelopment of the promised Meekatharra hospital is provided between now and 2024-25, suggesting that this project is likely to be delivered after the current term of government.

Major hospital developments in Joondalup, Bunbury, Geraldton and Peel are funded as part of on-going programs.

