Infrastructure in South Australia: Government Perspective

Rod Hook, Executive Director
Office of Major Projects and Infrastructure
Objectives for Infrastructure:

- Timely and fit-for-purpose infrastructure
- Increased investment (SASP)
Issues: Population Pressures
South Australia 1961

Source: ABS * 3105.0.65.001 Australian historical population statistics table 27
Issues: Population Pressures

South Australia 2001

Source: ABS * Population Projection * 3222.0 * 1999 to 2101
Issues: Population Pressures
South Australia 2031

Source: ABS * Population Projection * 3222.0 * 1999 to 2101
Issues: Owners of Assets

Transport
- 9,253km Arterial Roads
- 2,735km National Highways
- 10,720km Local Roads

Office Accommodation & Employee Housing
- 340,000m² Office Space
- 1,870 Houses

Public Housing
- 56,333 Houses

Health & Community Services
- 7 Metro Hospitals
- 68 Regional Hospitals
- 195 Primary Care Facilities

Justice Facilities
- 9 Correctional Facilities
- 29 Courts
- 34 Fire Stations

Education
- 607 Schools
- 416 Preschools
- 8 TAFE Institutes

Information Obtained from Portfolio Surveys
Issues: Age of Assets
Schools – built asset age profile
Issues: Age of Assets
Justice – built asset age profile

Decades
1840s 1850s 1860s 1870s 1880s 1890s 1900s 1910s 1920s 1930s 1940s 1950s 1960s 1970s 1980s 1990s

Total Area m$^2$
0 10000 20000 30000 40000 50000 60000 70000 80000
Issues: Age of Assets
Hospitals – built asset age profile

Department of Human Services,
Hospital Building Replacement Cost by Built Decade

Decades

$ Millions

$0 $100 $200 $300 $400 $500 $600 $700


Decades
Issues: Age of Assets
Rocks – built asset age profile
Strategic Infrastructure Plan for South Australia

Released April / May 2005

Understanding the Plan:

- Process
- Priorities
- Projects
SOUTH AUSTRALIA’S STRATEGIC PLAN

Process: Infrastructure Planning and Delivery Framework

1. Strategic Analysis & Identification of Infrastructure Need
   - Objectives clarified
   - Required services identified
   - Preliminary costs/timeframes
   - Strategic asset review/implications
   - Opportunities for asset redevelopment and/or disposal
   - New project identified & scoped
   - Initial affordability/budget impact
   - Broad prioritisation
   - Whole-of-life costings
   - Sustainability targets
   - Design development
   - Revenue opportunities
   - Financing options
   - Procurement options
   - Consultation
   - Benefit to government
   - Triple bottom line
   - Consents required
   - Hurdle rate (if relevant)
   - Analysis of prioritisation
   - Affordability/budget impact

2. Outline of Case for Change and Project Scoping
   - Need for state capital allocation
   - Local Government role
   - Australian Government subsidies
   - Role for InfraCorp
   - Commercial project
   - Opportunity for PPP, BOO, BOOT, DA, other

3. Project Planning and Substantiation
   - Detailed design
   - Expression of interest
   - Tenders
   - Approvals/Consents/reports

4. Funding Method & Resource Allocation
   - Decision to Proceed

5. Delivery of Project

Agency Plan

Unsolicited Proposals

Strategic Infrastructure Plan

Agency Plan

Agency Plan

Agency Plan

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Agency Plan
Public – Private Continuum

Government Contracting | Finance Leases | Build Own Operate (Transfer) | Development Agreements (inc JVs) | Operating Leases | Outsourcing | Privatisation

1. Traditional Lump Sum
2. Construction Manager
3. Design and Construct
4. Managing Contractor
5. Alliance Contracting

Risk

Introducing contractor earlier into the process
Allowing contractor to share in pain/gain
Strategic Infrastructure Plan for South Australia

Priorities of the Plan:

- Invest in transport infrastructure
- Invest in advanced technologies
- Invest in skills and innovation
- Manage our built assets well
- Match our health and social services to community needs
- Ensure our energy, water and land supplies are sustainable
Plans

• Invest in Transport Infrastructure:
  - Develop Outer Harbor and the Port of Adelaide
  - Upgrade the North-South transport corridor
  - Develop and maintain regional freight networks
  - Increase use of Public Transport
  - Manage our Built Assets well
Invest in Transport Infrastructure

Develop Outer Harbor and the Port of Adelaide
Invest in Transport Infrastructure

Outer Harbor Channel deepened to accommodate Panamax class vessels
Invest in Transport Infrastructure: Outer Harbor

Grain Wharf

Container Terminal

Grain Terminal
Port River Expressway – Stage 1
Port River Expressway –
Stages 2 and 3
South Road – Anzac Highway Underpass
Bakewell Underpass: expected to be open to traffic by end of 2007
Invest in Transport Infrastructure

Regional Freight Corridors – Northern Expressway
Eyre Peninsula Grain transport upgrade commenced
South East / Limestone Coast Freight Study

A Plan for Freight Transport for the South East / Limestone Coast Region of South Australia

Prepared for the South East Freight Logistics Task Force
July 2008
Invest in Transport Infrastructure

• Public Transport
  – Mawson Lakes
  – Tram Upgrade
  – Marion Interchange
Invest in Transport Infrastructure

Extend the Glenelg to Adelaide Tramline
Mining prospectivity

Mineral Sands

Roxby Downs, Prominent Hill

Broken Hill

Mineral Sands

# Major Mineral Resource Projects

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<tr>
<th>DEPOSIT</th>
<th>OWNER</th>
<th>COMMODITY</th>
<th>LIKELY CAPEX ($ MILLIONS)</th>
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<td>Cu / U / Au / Ag</td>
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Port Bonython Masterplan underway for protection of environment
Ensure our Energy, Water and Land supplies are sustainable

Wind Farms Proposed
Clements Gap

Wind Farms
Lake Bonney Cathedral Rocks Wattie Point Mount Millar

Power Stations

Substations

Transmission Lines

Source: ElectraNet
Stage 2 of the Lake Bonney Wind Farm development underway

Ensure our Energy, Water and Land supplies are sustainable
Ensure our Energy, Water and Land supplies are sustainable

Renewable Energy capability: national comparisons
Ensure our Energy, Water and Land supplies are sustainable

New 132 kV line to the Barossa Valley – energised

Other line / substation upgrades proceeding

Indicative route of transmission line

Source: www.electranet.com.au
Ensure our Energy, Water and Land supplies are sustainable

Murray-Darling Basin initiatives

Additional salt interception schemes
Ensure our Energy, Water and Land supplies are sustainable

Stormwater Management upgrades
Ensure our Energy, Water and Land supplies are sustainable

Desalination investigations
Thank you