

7 INFRASTRUCTURE INVESTMENT

Features

- In 2007-08, the planned level of investment in General Government Sector infrastructure is \$288.7 million, an increase of \$9.8 million on 2006-07 infrastructure investment of \$278.9 million.
- Infrastructure investment in 2007-08 will comprise:
 - \$172.1 million for roads, rail and communication infrastructure;
 - \$39.7 million for hospitals and health infrastructure;
 - \$14.6 million for housing;
 - \$26.9 million for schools and education infrastructure;
 - \$11.3 million for law and order; and
 - \$22.5 million for tourism, recreation and culture.
- In addition to the \$30.0 million Kingston High School redevelopment, the Government will invest a further \$30.0 million over four years to upgrade school and library facilities across the State as part of the Building for the Future program.
- Over the next four years, additional funding of \$20.5 million will be spent on road safety infrastructure under the Government's new Road Safety Strategy, commencing with estimated expenditure of \$2.4 million in 2007-08.
- In addition to the \$288.7 million of planned infrastructure investment, it is estimated that \$89.8 million will be spent on general asset maintenance in 2007-08, an increase of \$8.9 million on 2006-07 expenditure of \$80.9 million.

INTRODUCTION

Investment in Tasmania's public infrastructure assets is essential for the effective delivery of services to the community and promoting growth within the State. Infrastructure investment activities include:

- road development and maintenance;
- building construction and maintenance;
- information technology systems and telecommunications development; and
- appropriate land acquisitions.

Infrastructure investments made by the Government Business Enterprises or State-owned Companies are outside the General Government Sector, and are therefore not included in this Chapter.

Since the 2006-07 Budget, the Infrastructure Investment Chapter has been restructured to provide a greater focus on infrastructure investment expenditure within the General Government Sector. The review has resulted in some change to the level of infrastructure expenditure previously reported. In this regard, the 2006-07 Budget information has been recast to enable it to be compared with the 2007-08 Budget.

The 2006-07 Budget information reported previously focused on accounting classifications of total expenditure into building works, infrastructure works, plant and equipment and other capital works. The Chapter now focuses on the Government's major infrastructure investment programs, the Capital Investment Program (CIP) and infrastructure related projects in the Special Capital Investment Funds (SCIF). Sundry asset acquisition expenditure that represents ongoing asset management activity previously included in the Chapter is now excluded. The restructured Chapter highlights those projects that improve public infrastructure in Tasmania.

INFRASTRUCTURE INVESTMENT

As stated in the Government's Fiscal Strategy, the Government is committed to maintaining investment in core General Government infrastructure in real terms to support the delivery of government services and to foster economic and industry development.

In 2007-08, total expenditure by agencies on infrastructure related projects is estimated to be \$288.7 million, an increase of \$9.8 million on the 2006-07 estimate of \$278.9 million.

Major areas of Government infrastructure spending include:

- the Roads Program;
- the Housing Program;
- major one-off capital projects including the new Kingston High School, and in the future, the new Royal Hobart Hospital and the Brighton Transport Hub; and
- on-going development and replacement of buildings, plant and equipment and other infrastructure.

Table 7.1 provides a summary of projected expenditure by General Government Sector agencies on infrastructure projects.

Table 7.1: Infrastructure Expenditure by Agency 2007-08

Agency	2006-07 Budget \$'000	2007-08 Budget \$'000
Education ¹	14 451	22 484
Finance-General	5 864	2 728
Health and Human Services ^{2,3}	80 568	54 355
Infrastructure, Energy and Resources ⁴	133 189	169 401
Justice ⁵	19 904	10 283
Marine and Safety Authority	600	500
Police and Emergency Management ⁶	2 700	1 000
Premier and Cabinet	500	350
Primary Industries and Water ⁷	3 051	1 143
TAFE Tasmania	4 145	4 420
Tourism, Arts and the Environment ⁸	13 961	22 043
TOTAL	278 933	288 707

Notes:

1. The increase in Education expenditure reflects additional funding for the Kingston High School redevelopment and the new \$30.0 million four year Building for the Future program.
2. The decrease in Health and Human Services reflects the completion or near completion of a number of Royal Hobart Hospital capital initiatives including the construction of the Infill Building and the Department of Emergency Medicine.
3. In 2007-08, Health and Human Services expenditure includes \$14.6 million for the Housing Program. Details of the Housing Program are provided in Table 7.4.
4. In 2007-08, Infrastructure, Energy and Resources expenditure includes \$139.3 million for the Roads Program. Details of the Roads Program are provided in Table 7.5.
5. The decrease in Justice reflects a reduction in finance repayments for the new Risdon Prison.

6. The decrease in Police and Emergency Management reflects the completion of the Launceston Police Station refurbishment and the finalisation of the Forensic Science Services refurbishment.
7. The decrease in Primary Industries and Water primarily reflects the completion of a significant level of work under the Crown Land Services – Structural Upgrades initiative and completion of the Relocation and Upgrade of Specialist Facilities to Support Biosecurity Tasmania Initiative.
8. The increase in Tourism, Arts and the Environment reflects funding for the Cradle Mountain Sewage Treatment project and the Tasmanian Museum and Art Gallery initiative.

Infrastructure Investment Framework

Infrastructure spending decisions are managed through the Government's Capital Investment Program (CIP). The CIP incorporates the Roads and Housing Programs, and is supplemented through allocations from Special Capital Investment Funds such as the Royal Hobart Redevelopment Fund, the Better Roads Fund and the Economic and Social Infrastructure Fund.

The Government's strategic direction for infrastructure investment spending is supported by agency specific Strategic Asset Management Plans (SAMPs). SAMPs are part of a strategic asset management framework which establishes:

- criteria and standards for control and management of assets;
- strategies and processes for asset acquisition, maintenance, disposal and risk management; and
- priorities for allocating resources for asset management.

The development, replacement and maintenance of assets through specific infrastructure investment projects reflects the Government's commitment to maintain existing infrastructure, and is complemented by general asset maintenance expenditure not included in specific projects.

In addition to the \$288.7 million in infrastructure investment projects outlined in this Chapter, the Government:

- will spend an estimated \$89.8 million on general asset maintenance in 2007-08, an increase of \$8.9 million on 2006-07 expenditure of \$80.9 million; and
- supports infrastructure developments through capital grant payments to entities outside the General Government Sector. These capital grant payments include allocations from the Economic and Social Infrastructure Fund for major infrastructure projects such as the state-wide rollout of Gas Infrastructure (\$46.4 million), the Main Street Makeover payments to Local Governments (\$6.0 million), and the recent provision of \$10.0 million to the Launceston City Council for upgrading the Launceston Flood Levees.

Details of expenditure from the Special Capital Investment Funds (including Capital Grant payments) are provided in Chapter 4 in Budget Paper No 2 *Government Services*.

Funding Sources

Investment in the State's General Government Sector assets is funded through:

- annual Consolidated Fund works and services appropriations by the State Government;
- Specific Purpose Payments and General Purpose Payments received from the Australian Government for capital related education, housing and roads projects; and
- the balance of Special Capital Investment Funds established for the purpose of improving the State's infrastructure.

Funding for Infrastructure Investment is detailed in Table 7.2.

Table 7.2: Infrastructure Projects Funding Sources

	2006-07 Budget	2007-08 Budget
	\$'000	\$'000
Infrastructure Funding Sources		
State Funding		
Works and Services Appropriation	133 621	132 841
Special Capital Investment Funds¹	54 013	50 798
Asset Sale Proceeds²	9 500	7 000
Other³	23 877	20 702
Australian Government Funding⁴	57 922	77 366
	278 933	288 707

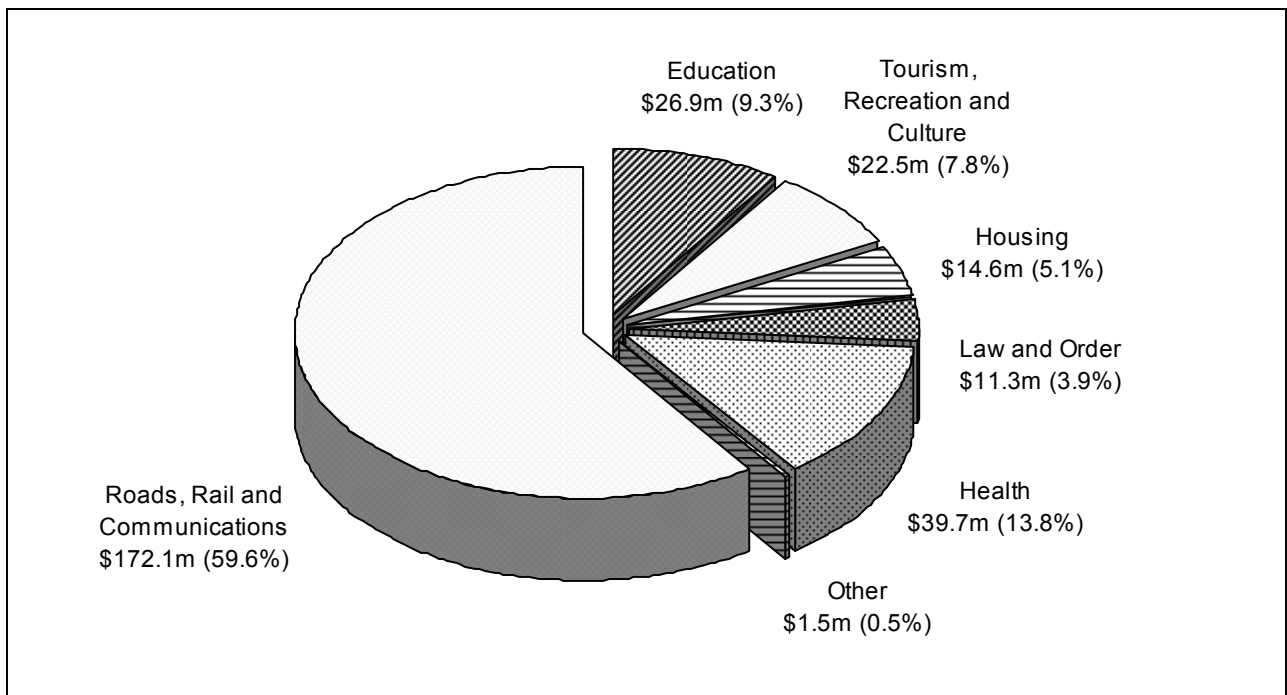
Notes:

1. Details of Special Capital Investment Funds are provided in Chapter 4 of Budget Paper No 2 *Government Services*.
2. The decrease in Asset Sale Proceeds reflects the variable nature of agency asset sales. Asset sales relate to the Housing Program. Funds received are reinvested into the program.
3. Other Infrastructure Funding Sources includes \$13.1 million of funding carried forward from previous years in accordance with section 8A(2) of the *Public Account Act 1986*, Road Safety Levy funding of \$4.3 million and funding of \$3.3 million sourced from the Special Deposits and Trust Fund relating to Housing.
4. Australian Government Funding in 2007-08 consists of \$61.0 million for Roads Infrastructure, \$12.4 million for Education and \$4.0 million for the Housing Program.

MAJOR AREAS OF INFRASTRUCTURE INVESTMENT

The most significant areas of infrastructure expenditure typically consist of roads, health, housing and education. Chart 7.1 details the areas of infrastructure expenditure in 2007-08. The major areas of Infrastructure Investment in 2007-08 by sector are detailed below.

Chart 7.1: Infrastructure Investment Expenditure by Classification, 2007-08



Notes:

1. Education includes infrastructure investment by the Department of Education (\$22.5 million) and TAFE Tasmania (\$4.4 million).
2. Tourism, Recreation and Culture includes infrastructure investment by the Department of Tourism, Arts and the Environment (\$22.0 million) and Marine and Safety Tasmania (\$500 000).
3. Housing infrastructure investment is provided through Housing Tasmania, a Division of the Department of Health and Human Services.
4. Law and Order includes infrastructure investment by the Department of Justice (\$10.3 million) and the Department of Police and Emergency Management (\$1.0 million).
5. Health infrastructure investment reflects expenditure by the Department of Health and Human Services less expenditure by Housing Tasmania.
6. Other includes infrastructure investment by the Department of Primary Industries and Water (\$1.1 million) and the Department of Premier and Cabinet (\$350 000).
7. Roads, Rail and Communications includes infrastructure investment by the Department of Infrastructure, Energy and Resources (\$169.4 million) and Finance-General (\$2.7 million).

Education

- Kingston High School Redevelopment – provision of \$30.0 million has been made to construct a new Kingston High School in the Kingborough Sports Centre precinct. The new school, which will cater for approximately 700 secondary students from Years 7 to 10, will be equipped with modern information and technology systems and have modern multi-purpose learning areas. It will also provide state-of-the-art specialist facilities to accommodate innovative programs in key areas such as science and technology, music, languages, the arts, design and sport. It is estimated \$1.8 million of the \$30.0 million total allocation will be spent in 2007-08, with the project expected to be completed by 2011.
- Building for the Future – a new funding package of \$30.0 million over four years is provided for projects to upgrade educational infrastructure. These projects will include refurbishing and redeveloping a number of schools across the State; upgrading the Rosny, Devonport and Glenorchy libraries; and establishing a further Learning and Information Network Centre (LINC). It is estimated \$5.0 million of the \$30.0 million total allocation will be spent in 2007-08, with the expected completion date of all projects in the funding package by June 2011. Elements of the package commencing in 2007-08 include:
 - capital works at the Deloraine and Spreyton Primary Schools;
 - refurbishing general learning areas at the St Helens District High School; and
 - refurbishing classrooms at the Wynyard High School.
- Launceston Northern Suburbs – funding is provided for the provision of contemporary primary school facilities in Launceston's northern suburbs, including the redevelopment of Mayfield Primary School. It is estimated \$5.2 million of the \$6.1 million total allocation will be spent in 2007-08, with an expected completion date of June 2008.
- Southern Branch Support School and Inclusive Education Training Facility – funding is provided for the completion of a contemporary learning centre for students with disabilities and an inclusive education training facility. At a total cost of \$3.1 million and a completion date of June 2008, \$2.8 million will be expended during 2007-08.
- TAFE Tasmania – funding is provided for a number of projects within TAFE Tasmania, including the redevelopment and construction of buildings at the Alanvale Campus and the Thynes Building in Launceston (\$1.5 million), capital works at the Burnie Campus (\$955 000) and Information Technology upgrades at a number of sites (\$550 000).
- Upgrading Primary Schools – funding is provided for the upgrade and refurbishment of a number of primary schools in 2007-08, including:
 - Lansdowne Crescent Primary School (\$1.1 million);
 - Mount Stuart Primary School (\$1.7 million);
 - New Norfolk Primary School (\$1.0 million);
 - Snug Primary School (\$1.6 million); and
 - Taroona Primary School (\$1.7 million).

Health

- George Town District Hospital – funding is provided for the redevelopment of a 15 single room in-patient facility, and the development of a general use treatment room and office accommodation for community nurses. It is expected that \$744 000 of the \$5.1 million total allocation will be spent in 2007-08. The expected completion date is September 2007.
- Hospital Equipment Fund – this 2006 Election commitment provides \$25.0 million over five years to purchase high need medical equipment for the State's major public hospitals. To date, commitments have been made for three linear accelerators, a holium laser, two mammography diagnostic units, an echo machine, urology equipment and orthopaedic equipment. Approximately \$9.1 million of the \$25.0 million allocation will be expended during 2007-08. All funds will be expended by 2010-11.
- Hospital Information Systems – funding is provided to replace the existing computer systems in the Royal Hobart Hospital, Launceston General Hospital and North West Regional Hospital with a new single, state-wide patient information system. It is estimated \$3.3 million of the \$6.5 million allocation will be spent in 2007-08, with June 2008 the expected completion date.
- Mental Health Review – this project includes the development of a level four facility in the Northern Region (\$2.0 million), a level three facility in the North West (\$1.5 million) and general upgrades to Mental Health facilities. It is estimated \$2.5 million of the \$4.4 million allocation will be spent in 2007-08, with March 2008 the expected completion date.
- Launceston General Hospital Emergency Department – this 2006 Election commitment provides \$12.0 million for the redevelopment of the Department of Emergency Medicine, including the increase of available floor space, creation of a short stay observation ward and a separate triage area. During 2007-08, \$755 000 will be spent advancing this commitment. The expected completion date for the redevelopment is June 2010.
- North West Regional Hospital (NWRH) Mersey Campus Redevelopment – this initiative provides \$5.0 million for the redevelopment of the NWRH Mersey Campus. Approximately \$200 000 of these funds will be expended in 2006-07 to address quality and safety issues and some urgent clinical equipment requirements. The balance of funds will be used to meet future capital equipment and infrastructure requirements in accordance with *Tasmania's Health Plan*.
- New Ambulances – this 2006 Election commitment provides \$10.7 million for the purchase of 100 new ambulances to replace ageing vehicles in Tasmania's ambulance fleet. This funding will ensure that virtually the entire ambulance fleet will be upgraded over the next four years, including the purchase and fit out of 26 ambulance vehicles in 2007-08. Approximately \$3.4 million will be spent on this initiative during 2007-08.
- Royal Hobart Hospital Capital – this 2006 Election commitment provides \$13.2 million for the purchase of equipment for the new Department of Emergency Medicine, Neonatal/Paediatric Intensive Care Unit, Operating Theatres and building works for the state-wide Paediatric Enhancement initiative. It is estimated that \$2.6 million will be spent on this initiative during 2007-08. The expected completion date of this initiative is June 2009.
- Royal Hobart Hospital Redevelopment Fund – this \$35.0 million fund was established for the redevelopment of the Royal Hobart Hospital (RHH). During 2007-08, \$8.8 million will be expended from

the Fund to complete construction of the Infill Building, finalise the new Department of Emergency Medicine and advance the planning for the new RHH.

- Smithton District Hospital – funding is provided to redevelop and upgrade the Smithton District Hospital to contemporary standards and to allow community health services to be collocated to meet growing community needs. It is expected \$4.1 million of the \$5.8 million total allocation will be spent during 2007-08. The expected completion date of the project is December 2008.

Housing

- During 2007-08, \$14.6 million will be expended on the State's Housing Program. This expenditure includes \$3.2 million on the Community Housing Program, \$1.9 million for the Crisis Accommodation Plan and \$6.0 million for repayment of principal under the Commonwealth-State Housing Agreement.
- Further details regarding the Housing Program are provided in a separate section of this Chapter.

Law and Order

- Prison Infrastructure Redevelopment Program – cash flows beyond the September 2006 completion date of the Prison represent construction finance repayments. In 2007-08, \$9.2 million is provided to meet these financing costs. These repayments will cease in 2009-10.

Roads, Rail and Communications

- During 2007-08, \$139.3 million of State and Australian Government funding will be expended on the Roads Program. This expenditure includes State funding of \$35.4 million for infrastructure development and \$39.3 million for infrastructure maintenance.
- The Roads Program also includes funding of \$20.5 million over the next four years to improve roads infrastructure under a new road safety strategy: *Our Safety, Our Future – Tasmanian Road Safety Strategy 2007-2016*. In 2007-08, it is estimated that \$2.4 million of this funding will be spent. Further details on the new road safety strategy are provided in Chapter 6 in Budget Paper No 2 *Government Services*.
- Further details regarding the Roads Program are provided in a separate section of this Chapter.
- Telecommunications Project – a total allocation of \$7.0 million was provided for the advancement of the state-wide Telecommunications Project. This funding included \$4.0 million for the extension of the optic fibre cable into Burnie, Devonport, Launceston and Hobart. This project will be completed during 2007-08 with a final funding allocation of \$2.7 million.
- Motor Registry Project – a total funding allocation of \$16.1 million was provided for the redevelopment of the state-wide Motor Registry System. The new Motor Registry system will better meet business needs and enable Tasmania's motor registration system to be integrated with the national system. Approximately \$5.2 million will be spent on advancing the Project during 2007-08. The Project is expected to be completed by June 2009.
- Rail Infrastructure Maintenance and Development – as part of the State Rail Rescue Package the State Government will provide \$40.0 million over ten years to meet costs associated with the ongoing maintenance of the State's rail infrastructure. In 2007-08, the State will provide \$4.1 million for this

purpose. Also as part of the Rescue Package, the Australian Government will provide \$78.0 million for the redevelopment of the State's rail infrastructure. Approximately \$17.3 million will be spent for this purpose during 2007-08.

- Rail Management – the Department of Infrastructure Energy and Resources will be allocated \$3.5 million in 2007-08 for the purpose of meeting costs associated with the ongoing management, assessment and oversight functions of the State's investment in rail infrastructure. Following the transfer of the rail infrastructure to the State, this will be an ongoing responsibility of the Department.

Tourism, Recreation and Culture

- Jetties – this 2006 Election commitment provides \$5.0 million to Marine *and* Safety Tasmania (MAST) over five years for the maintenance and improvement of the State's jetty infrastructure. Jetty infrastructure identified for maintenance and improvement funding includes Opossum Bay, Swansea, Kettering, Nubeena, Pirates Bay and Southport. It is anticipated MAST will spend approximately \$500 000 during 2007-08 on jetty maintenance and improvements. The expected completion date is June 2011.
- Cradle Mountain Central Sewage Treatment – funding is provided for the staged construction of new central sewage treatment infrastructure to support current and future tourism development at the site. It is expected that \$9.6 million of the total \$13.2 million allocated to the Project will be spent during 2007-08. The sewerage works is anticipated to be completed by September 2008.
- Tasmanian Museum and Art Gallery (TMAG) Infrastructure – this 2006 Election commitment provides for a major redevelopment of the Hobart TMAG site. The redevelopment will feature preservation of key heritage buildings, an archaeological dig, and a design for a new TMAG building. It is expected that approximately \$8.7 million of the total \$30.0 million funding allocation will be spent during 2007-08.
- Tourism Infrastructure – funding is provided for the support of key tourism infrastructure development across the State. It is expected that \$2.1 million of the \$6.0 million total allocation will be spent in 2007-08.
- Analytical Services Laboratories – total funding of \$2.1 million from the Economic and Social Infrastructure Fund is provided for the construction of new premises for Analytical Services Tasmania (AST) in New Town. AST were previously located at the University of Tasmania. However, due to other developments at the University, AST was required to relocate its activities. It is expected that construction will be completed during 2007-08.
- Cradle Tourism Development Plan – in 2007-08, funding of \$526 000 is available to complete the purchase of land adjacent to the Cradle Mountain-Lake St Clair National Park to provide better services at the entrance to the northern end of the Park. The total cost of this initiative is approximately \$3.0 million. It is expected that the project will be completed during 2007-08.

INFRASTRUCTURE INVESTMENT PROJECT DETAILS BY AGENCY

Table 7.3 details the estimated cost of individual infrastructure investment projects by agency. Costs will vary as projects proceed to tender and some re-scheduling of individual projects is likely to occur during the

year. This may allow some expenditure to occur against projects which are scheduled to go to tender late in the financial year and for which funds are not currently provided in 2007-08.

Table 7.3: Infrastructure Investment Project Details by Agency

	Start	Complete	Estimated Total Cost \$'000	2007-08 Budget \$'000	2008-09 Estimate \$'000	2009-10 Estimate \$'000
DEPARTMENT OF EDUCATION¹						
Disabled Access Initiative	2008	2009	1 982	....	1 982	....
Glen Dhu Primary School	2006	2007	1 231	701	....	....
Huonville High School	2008	2009	2 338	....	2 338	....
Invermay Primary School	2008	2009	1 906	....	1 906	....
Kingston Education Infrastructure Initiative (EC) ²	2006	2011	30 000	1 800	5 000	12 000
Lansdowne Crescent Primary - Classroom Redevelopment	2007	2008	1 088	1 088	....	....
Launceston Northern Suburbs Schools	2006	2008	6 064	5 211	....	....
Mount Stuart Primary School	2007	2008	1 650	1 650	....	....
New Norfolk Primary School	2007	2008	2 591	1 000	1 591	....
Reducing Class Sizes from Years 2 to 7 State-wide (EC)	2008	2010	1 800	....	450	450
Snug Primary School	2007	2008	1 562	1 562	....	....
Southern Branch Support School and Inclusive Education Training Facility	2005	2008	3 108	2 761	....	....
Supporting School Farms (EC)	2006	2008	300	....	100	....
Taroona Primary School	2007	2008	1 711	1 711	....	....
				<u>17 484</u>	<u>13 367</u>	<u>12 450</u>
<i>Building for the Future Infrastructure Package³</i>						
City Library - Multi-sites Project	2008	2009	1 500	....	1 500	....
Deloraine Primary School	2007	2007	450	450	....	....
Establish a New Learning and Information Network Centre (LINC)	2009	2011	3 568	....	....	1 308
Ogilvie High School - Redevelopment of Kitchens and Art Areas	2008	2010	4 140	....	2 640	1 500
Renewing Structures and Locations of Schools	2008	2010	5 672	....	532	5 140
Rose Bay High School	2008	2009	3 380	....	2 328	1 052
Secondary Schools Science Laboratories Upgrade	2009	2011	1 800	....	....	1 000
Spreyton Primary School	2007	2008	1 225	1 225	....	....
St Helens District High School - Refurbish General Learning Areas	2007	2008	1 474	1 474	....	....
Wynyard High School - Refurbish Existing Classrooms	2007	2008	1 851	1 851	....	....
				<u>5 000</u>	<u>7 000</u>	<u>10 000</u>
TOTAL				<u>22 484</u>	<u>20 367</u>	<u>22 450</u>

Table 7.3: Infrastructure Investment Project Details by Agency
(continued)

	Start	Complete	Estimated Total Cost	2007-08 Budget	2008-09 Estimate	2009-10 Estimate
			\$'000	\$'000	\$'000	\$'000
FINANCE-GENERAL						
Telecommunications Project	2004	2008	7 025	2 728	....	....
TOTAL				<u>2 728</u>	<u>....</u>	<u>....</u>
DEPARTMENT OF HEALTH AND HUMAN SERVICES						
Housing (refer to Table 7.4 for details)				<u>14 626</u>	<u>9 802</u>	<u>9 908</u>
				<u>14 626</u>	<u>9 802</u>	<u>9 908</u>
Other Health Infrastructure						
Dental Surgeries (EC)	2006	2008	2 500	1 450	....	....
George Town District Hospital	2006	2007	5 100	744	....	....
Hospital Equipment Fund (EC)	2007	2011	25 000	9 128	6 702	....
Hospital Information System	2006	2008	6 500	3 280	....	....
Launceston General Hospital Emergency Department (EC)	2008	2010	12 000	755	4 245	7 000
Mental Health Review	2005	2008	4 360	2 464	....	....
NWRH Mersey Campus Redevelopment Fund (EC)	2006	2009	5 000	3 050	1 750	....
New Ambulances (EC)	2006	2010	10 670	3 370	2 930	2 000
Royal Hobart Hospital Capital (EC)	2006	2009	13 200	2 625	1 910	....
Royal Hobart Hospital Redevelopment Fund	2006	2009	35 000	8 775	5 149	....
Smithton District Hospital	2006	2008	5 778	4 088	750	....
				<u>39 729</u>	<u>23 436</u>	<u>9 000</u>
TOTAL				<u>54 355</u>	<u>33 238</u>	<u>18 908</u>
DEPARTMENT OF INFRASTRUCTURE, ENERGY AND RESOURCES⁴						
Roads Program Expenditure (refer to Table 7.5 for details)				<u>139 282</u>	<u>165 406</u>	<u>117 667</u>
				<u>139 282</u>	<u>165 406</u>	<u>117 667</u>
Other Expenditure						
Motor Registry Project	2004	2009	16 100	5 219	1 619	....
Rail Infrastructure Development	2006	2016	78 000	17 300	12 900	11 150
Rail Infrastructure Maintenance	2006	2016	40 000	4 100	4 203	4 308
Rail Management	2006	Ongoing	na	3 500	3 500	3 500
				<u>30 119</u>	<u>22 222</u>	<u>18 958</u>
TOTAL				<u>169 401</u>	<u>187 628</u>	<u>136 625</u>

Table 7.3: Infrastructure Investment Project Details by Agency
(continued)

	Start	Complete	Estimated Total Cost	2007-08 Budget	2008-09 Estimate	2009-10 Estimate
			\$'000	\$'000	\$'000	\$'000
DEPARTMENT OF JUSTICE						
Prisons Infrastructure Redevelopment Program ⁵	2004	2006	89 623	9 242	11 396	....
Monetary Penalties Project	2004	2008	6 657	1 041	....	....
TOTAL				10 283	11 396	....
MARINE AND SAFETY AUTHORITY TASMANIA						
Jetties (EC)	2006	2011	5 000	500	2 000	1 300
TOTAL				500	2 000	1 300
DEPARTMENT OF POLICE AND EMERGENCY MANAGEMENT						
Refurbishment of the Forensic Science Services						
Tasmania	2006	2008	1 500	1 000	....	....
TOTAL				1 000	....	....
DEPARTMENT OF PREMIER AND CABINET						
Service Tasmania Shops Capital Investment	2006	Ongoing	3 100	350	250	250
TOTAL				350	250	250
DEPARTMENT OF PRIMARY INDUSTRIES AND WATER						
Agricultural Research Centres (EC)	2007	2010	2 000	500	500	500
Crown Land Services - Structural Asset Upgrades		Ongoing	na	643	556	556
TOTAL				1 143	1 056	1 056
TAFE TASMANIA						
Alanvale Campus	2006	2007	1 900	300	....	....
Alanvale Campus and Thynes Building	2007	2008	1 500	1 215	....	....
Infrastructure Support		Ongoing	na	850	850	850
IT Infrastructure - Multi-sites (Stage 2)	2007	2008	550	550	....	....
State-wide - Multi-sites	2007	2008	550	550	....	....
Burnie Campus	2007	2008	955	955	....	....
TOTAL				4 420	850	850

Table 7.3: Infrastructure Investment Project Details by Agency
(continued)

	Start	Complete	Estimated Total Cost	2007-08 Budget	2008-09 Estimate	2009-10 Estimate
			\$'000	\$'000	\$'000	\$'000
DEPARTMENT OF TOURISM, ARTS AND THE ENVIRONMENT						
Analytical Services Laboratories	2006	2008	2 100	300	....	....
Cradle Mt Central Sewage Treatment (EC)	2006	2008	13 175	9 577	2 395	....
Cradle Mt Park Visitor Infrastructure	2007	2007	750	250	....	....
Cradle Tourism Development Plan	2005	2008	2 968	526	....	....
Overland Track - Implementation of Business Plan	2007	2008	250	200	....	....
Royal Tasmanian Botanical Gardens Backflow Prevention Project	2008	2008	265	265	....	....
Tasmanian Museum and Art Gallery Infrastructure (EC)	2007	2010	30 000	8 689	9 700	11 400
Tourism Infrastructure	2005	2008	6 000	2 086	....	....
Wineglass Bay Visitor Access Improvements	2007	2007	700	150	....	....
TOTAL				22 043	12 095	11 400
TOTAL INFRASTRUCTURE INVESTMENT PROJECTS						
				288 707	268 880	192 839

Notes:

1. TAFE Tasmania Infrastructure projects are listed separately in this Table under the heading 'TAFE Tasmania'.
2. The abbreviation 'EC' within this table indicates a project is an Election commitment.
3. The Building for the Future projects listed do not include three projects valued at \$4.9 million that are scheduled to commence in 2010-11.
4. Marine and Safety Tasmania Infrastructure projects are listed separately in this Table under the heading 'Marine and Safety Tasmania'.
5. Cash flows beyond the September 2006 completion date represent Finance repayments.

Housing Program

The Housing Program relates to the capital program of the Housing Tasmania Output Group under the Department of Health and Human Services.

The Housing Program aims to provide low income Tasmanians with access to sustainable, affordable, appropriate and secure housing options through the acquisition and/or construction of public housing dwellings, and the upgrading of existing public housing dwellings. The Program also allows for the sale to eligible applicants of properties and surplus land, with sale proceeds being reinvested into the capital program to continue the delivery of affordable housing. The Program is aimed at delivering a range of housing options that meet community needs and offer a range of opportunities that contribute to the capacity of families and individuals to participate in society and improve their quality of life.

In 2007-08, Housing Program capital expenditure will include:

- providing \$255 000 for the completion of the \$1.4 million Disability Services Facility at Latrobe, including eight Intensive Support Units;
- allocating \$500 000 to other works, including the subdivision and development of properties at Chigwell and Mornington;
- providing \$696 000 for Aboriginal Rental Housing Program targets, enabling the purchase of three new properties;
- continuing the \$960 000 installation program of natural gas hot water systems to houses within the gas distribution network;
- allocating \$3.2 million to the Community Housing Program, \$2.9 million of which is allocated to five organisations for the provision of accommodation to people with disabilities, older people and humanitarian entrants. These organisations will make an average contribution of 42 per cent to these projects, which together with the Government contribution of \$2.9 million, will provide total funding of \$5.0 million to the affordable housing sector for services for special needs groups including the disabled and aged Tasmanians;
- providing \$1.9 million for the Crisis Accommodation Plan to allow for replacing or upgrading the Mara House property (which provides support for young women), continuing Supported Accommodation Assistance Program brokerage payments and supporting the establishment of the Southern Supported Residential Facility;
- allocating \$780 000 for the acquisition of land at Hobblers Bridge in Launceston for the development of affordable housing;
- providing \$500 000 for the purchase of information technology infrastructure to support the delivery of housing services; and
- paying \$6.0 million to the Australian Government under the Commonwealth-State Housing Agreement for the ongoing repayment of loans.

Table 7.4 details Housing Program Expenditure for 2007-08 to 2009-10.

Further information on Housing Tasmania, including details of the not-for-profit affordable housing organisation established under the Government's *Affordable Housing Strategy*, Tasmanian Affordable Housing Ltd, is provided in Chapter 5 of Budget Paper No 2 *Government Services*.

Table 7.4: Housing Program Expenditure

	Start	Complete	Estimated Total Cost	2007-08 Budget	2008-09 Estimate	2009-10 Estimate
			\$'000	\$'000	\$'000	\$'000
DEPARTMENT OF HEALTH AND HUMAN SERVICES - HOUSING						
New Dwelling Construction						
Intensive Support Units Latrobe	2006	2007	1 446	255	....	....
Other Works	2006	2007	na	500	....	....
Existing Dwelling Purchases						
Aboriginal Residential Housing Program						
Targets		Ongoing	na	696	696	696
Redevelopment/Upgrading						
Natural Gas Upgrades	2006	2007	960	604	....	....
Community Housing Program ¹		Ongoing	na	3 244	1 634	1 655
Crisis Accommodation Plan ²		Ongoing	na	1 900	1 012	1 025
Other Works	na	na	na	147	....	....
Land Acquisitions						
Hobblers Bridge Launceston	2007	2007	780	780	....	....
Non Works Capital						
Capital Information Technology	2007	2008	700	500	200	....
CSHA Principal Repayment ³	na	na	na	6 000	6 260	6 532
TOTAL				14 626	9 802	9 908

Notes:

1. Community Housing Program expenditure includes a \$1.6 million carry forward of funds from 2006-07.
2. Crisis Accommodation Plan funding is provided by the Australian Government under the CSHA.
3. CSHA Principal Repayment represents principal loan repayments to the Australian Government due under the Commonwealth-State Housing Agreement (CSHA). Up until 1989, funding under the CSHA was through repayable loan funds, with Tasmania having an estimated debt of \$236.1 million at June 2008. This debt is being repaid at the rate of approximately \$6.0 million per year, with final repayments not due until 2042.

Housing Program Funding

The Australian and the State Governments jointly fund the 2007-08 Housing Program under the terms of the Commonwealth-State Housing Agreement (CSHA). Total funding for the program in 2007-08 is \$14.6 million, a decrease of \$5.3 million on the 2006-07 Budget of \$19.9 million. The decrease reflects the conclusion of one-off capital funding provided by the State, under the *Affordable Housing Strategy* (AHS). In the future, the AHS will be funded through recurrent funding.

Proceeds from the sale of properties to eligible applicants and the sale of surplus land will continue to be reinvested into the capital program. This will assist eligible applicants to purchase their own home and will also provide funds to the Housing Program to continue in the delivery of affordable housing. Proceeds from

this source are estimated at \$7.0 million for 2007-08 and are included in the funding of the \$14.6 million total expenditure.

Roads Program

Both the State and Australian Governments fund the Roads Program. Forming part of the CIP, the Roads Program comprises new works projects and the upgrade and maintenance of established roads. In 2007-08, the total Roads Program is \$139.3 million, an increase of \$10.1 million from \$129.2 million in 2006-07.

In 2007-08, the major components of the increase in State funded expenditure include:

- the Government's 2006 Election commitments, including the following projects:
 - Tasman Highway – Mornington Roundabout Traffic Signals, \$1.5 million, an increase of \$1.3 million on 2006-07 expenditure;
 - South Arm Road – Shoreline to Police Academy, \$5.2 million, an increase of \$4.7 million on 2006-07 expenditure;
 - Tasman Highway – Bourkes Road to Barrow Creek, \$2.3 million, an increase of \$2.1 million on 2006-07 expenditure;
 - the commencement of work on Batman Highway and Spring Hill Main Road (\$900 000);
 - the commencement of work on Southern Outlet – Macquarie Street traffic flow (\$1.2 million);
 - Lyell Highway – Granton to New Norfolk, \$2.3 million, an increase of \$1.3 million on 2006-07 expenditure; and
 - the commencement of work on main access routes to the Central Highlands (\$700 000); and
- additional expenditure on road safety of \$4.7 million, including an increase of \$2.4 million relating to the introduction of a new road safety strategy: *Our Safety, Our Future – Tasmanian Road Safety Strategy 2007-2016*. Over the next four years, an additional \$20.5 million will be spent on road safety infrastructure under the new Strategy.

The increase in State funded expenditure is partially offset by the completion of the following projects:

- Bridport Main Road and sub-projects of Sisters Hills, which are part of the Better Roads Program (a decrease of \$2.1 million on 2006-07 expenditure); and
- roads and bridge maintenance projects funded from the Economic and Social Infrastructure Fund (a decrease of \$6.2 million on 2006-07 expenditure).

In 2007-08, the major components of the increase in Australian Government funded expenditure relate to the following road improvement projects:

- East Tamar Highway, \$13.4 million, an increase of \$8.4 million on 2006-07 expenditure; and
- North East Tasmania Access Study, \$1.1 million, an increase of \$300 000 on 2006-07 expenditure.

The increases in Australian Government funded expenditure are partially offset by the completion or near completion of the following projects:

- Strategic Regional Roads Program (Bridport Main Road and Sisters Hills – a decrease of \$4.2 million on 2006-07 expenditure); and

- Bass Highway – Penguin to Ulverstone Stage 2 (a decrease of \$3.4 million on 2006-07 expenditure)

A summary of the Roads Program expenditure is shown in Table 7.5.

Table 7.5: Roads Program Expenditure¹

	Start	Complete	Estimated Total Cost \$'000	2007-08 Budget \$'000	2008-09 Estimate \$'000	2009-10 Estimate \$'000
STATE FUNDED						
ENVIRONMENTAL MANAGEMENT		Ongoing	na	435	450	465
				435	450	465
INFRASTRUCTURE DEVELOPMENT						
Batman Highway and Spring Hill Main Road (EC)	2008	2008	1 000	900	100	....
Bridge Upgrading		Ongoing	na	895	1950	965
Brooker Highway - Stage 1 Works (EC)	2006	2010	10 000	790	4 310	4 500
Clives/Fouche Avenue - Old Beach (EC)	2006	2008	2 000	145	1 680	....
East Tamar Highway ²	2006	2010	6 400	1 470	3 730	1 200
East Tamar Highway - Approaches to Launceston (EC)	2006	2008	8 300	3 790	880	....
Illawarra Main Road (EC)	2008	2010	3 100	....	400	2 700
Kingston Bypass (EC)	2006	2008	500	150	....	....
Lyell Highway - Granton to New Norfolk (EC)	2006	2009	14 000	2 250	6 600	4 700
Main Access Routes to Central Highlands (EC)	2008	2010	8 000	700	550	4 900
Sisters Hills (Better Roads Fund)	2005	2010	15 000	6 629	1 849	230
South Arm Road - Shoreline to Police Academy (EC)	2006	2009	10 000	5 180	2 500	1 900
Southern Outlet - Macquarie Street Traffic Flow (EC)	2006	2008	1 500	1 350	....	....
Tasman Highway - Bourkes Road to Barrow Creek (EC)	2006	2008	2 700	2 339	169	....
Tasman Highway - Mornington Signalisation (EC)	2006	2008	1 600	1 450	....	....
Tasman Highway - Sorell Traffic Management (EC)	2006	2008	2 500	600	1 700	....
Tea Tree Secondary Road (EC)	2006	2009	4 000	275	900	2 700
West Coast Wilderness Railway		Ongoing	na	100	100	100
<i>Roads of National Importance</i>						
North East Tasmania Access (NETAS) Road Upgrading	2004	2009	10 000	3 141	1 903	241
Entrance to Devonport ³	2007	2009	2 500	429	1 250	....
Tasman Highway - Bourkes Road to Barrow Creek	2006	2008	1 000	....	531	....
West Tamar Corridor (Better Roads Fund)	2005	2007	5 150	2 851	....	....
				35 434	31 102	24 136

Table 7.5: Roads Program Expenditure (continued)

	Start	Complete	Estimated Total Cost	2007-08 Budget	2008-09 Estimate	2009-10 Estimate
			\$'000	\$'000	\$'000	\$'000
INFRASTRUCTURE MAINTENANCE						
Assistance to Local Government		Ongoing	na	254	260	283
Bass Highway - Cutting Road to Oppenheim Road (EC)	2006	2007	850	150	....	....
Bridge Maintenance		Ongoing	na	4 260	5 724	5 371
<i>Bridge Reinstatement</i>						
Emergency and Flood Repairs		Ongoing	na	259	351	313
Henty River Bridge	2007	2008	1 600	120	1 480	....
Leven River Bridge Ulverstone	2005	2010	6 800	100	2 494	2 986
Lollara State Road Mountain River Bridge	2008	2010	1 589	....	100	1 089
Maintenance of Other Infrastructure		Ongoing	na	81	83	84
Miscellaneous Fees and Charges		Ongoing	na	555	575	595
Other		Ongoing	na	420	1 294	2 390
Tasman Highway Maclaines Creek Bridge	2004	2007	3 737	280	....	....
Vehicle Mass and Dimension Management		Ongoing	na	361	347	336
<i>Road Reinstatement</i>						
Esk Main Road - Leona Road to Ormley Culvert	2004	2007	3 789	2 703	....	....
Esk Main Road - Rostrevor Rivulet to Tullochgorum Creek	2004	2007	4 585	350	....	....
Murchison Highway - Que River to Waratah	2004	2007	4 600	350	....	....
Lyell Hwy, King River Deviation to Iron Blow Road	2007	2009	2 607	577	980	1 000
Southern Region Routine Projects	2009	2010	5 275	....	....	3 745
Other		Ongoing	na	880	550	2 955
Road Routine Maintenance ⁴		Ongoing	na	19 924	14 568	15 039
Road Specific Maintenance ⁴		Ongoing	na	7 644	10 700	11 065
				<u>39 268</u>	<u>39 506</u>	<u>47 251</u>
OTHER ROADS INFRASTRUCTURE						
Infrastructure Policy and Planning		Ongoing	na	2 309	2 400	2 450
Program Management		Ongoing	na	3 751	3 112	2 954
Road Safety and Traffic Management		Ongoing	na	8 132	12 777	11 288
Transport Infrastructure		Ongoing	na	5 277	5 277	5 277
				<u>19 469</u>	<u>23 566</u>	<u>21 969</u>
TOTAL STATE FUNDED ROADS						
				<u>94 606</u>	<u>94 624</u>	<u>93 821</u>

Table 7.5: Roads Program Expenditure (continued)

	Start	Complete	Estimated Total Cost	2007-08 Budget	2008-09 Estimate	2009-10 Estimate
			\$'000	\$'000	\$'000	\$'000
AUSTRALIAN GOVERNMENT FUNDED⁵						
NATIONAL HIGHWAY SYSTEM						
INFRASTRUCTURE DEVELOPMENT						
<i>Improving the Network</i>						
Bass Highway – Penguin to Ulverstone Stage 2	2005	2008	42 000	13 294	9 084	...
<i>Road and Bridge Upgrading</i>						
East Tamar Highway	2006	2010	60 000	13 350	33 800	10 850
Hobart Northern Approaches Project ⁶	2007	na	tbc	1 870	17 581	9 232
<i>Roads of National Importance</i>						
North-East Tasmania Access (NETAS)	2003	2008	10 000	1 050	...	...
<i>Strategic Regional Program</i>						
Sisters Hill	2005	2008	15 000	4 052	1 767	...
Tasman Highway Bourkes Road to Barrow Creek	2006	2008	1 500	1 500	...	...
				35 116	62 232	20 082
INFRASTRUCTURE MAINTENANCE						
Bridge Maintenance		Ongoing	na	774	774	...
Miscellaneous Fees/Charges		Ongoing	na	140	140	...
Road Reinstatement		Ongoing	na	616	616	...
Road Routine Maintenance		Ongoing	na	3 180	3 180	...
Road Specific Maintenance		Ongoing	na	720	720	...
				5 430	5 430	...
OTHER ROADS INFRASTRUCTURE						
Program Management		Ongoing	na	1 230	1 221	1 430
Road Safety and Traffic Management		Ongoing	na	2 117	1 116	1 484
Transport Infrastructure		Ongoing	na	783	783	850
				4 130	3 120	3 764
TOTAL AUSTRALIAN GOVERNMENT FUNDED						
ROADS						
				44 676	70 782	23 846
TOTAL ROADS PROGRAM EXPENDITURE						
				139 282	165 406	117 667

Notes:

1. The abbreviation 'EC' within this table indicates a project is an Election commitment.
2. This portion of the East Tamar Highway project is funded from interest earned by the State on funds provided in advance by the Australian Government.
3. This funding will be paid to the Devonport City Council as a grant.
4. The decrease in Road Routine Maintenance funding and the increase in Road Specific Maintenance in 2008-09 primarily relates to new contractual arrangements that redistributes funding.
5. Australian Government funding decreases at the end of 2008-09 for a number of projects such as Infrastructure Maintenance. Future funding is subject to negotiation with the Australian Government for a new Auslink agreement from 2009-10 onwards.
6. The total Australian Government contribution to this project is subject to ongoing negotiations.