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DEPARTMENT OF INFRASTRUCTURE AND TRANSPORT

FOR: The Hon Anthony Albanese MP cc:	eWorks Number: 01415-2012	For Decision by: 10 April 2012
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SUBJECT: Nation Building Program – Reallocation of funds in Western Australia

Recommendations: That you:

A. **NOTE** that funds [redacted] are available for reallocation in the Nation Building Program (NBP) in Western Australia¹;

B. **Option 1 (recommended):**

AGREE to reallocate funding to the following projects with 50% contributions from the Australian and the WA Governments:

- (i) [redacted]
- (ii) [redacted]
- (iii) as suggested by your Office, \$5 million to a planning study for light rail in Perth, with the scope to be further refined;

(iv) [redacted]

Option 2:

As an alternative approach, should you not agree to provide funding for the [redacted] **AGREE** to the other reallocations in Option 1 above for the [redacted]

C. [redacted]

D. if you agree to Option 1 in Recommendation B, **SIGN** the attached response to Mr Buswell.

Key Issues:

1. Mr Buswell wrote to you on 19 January (**Attachment B**) and 8 March 2012 (**Attachment C**) seeking your agreement to reallocate funds in the NBP to a series of new projects and cost increases on existing projects. [redacted]

¹ Your announcements of \$2 million for the PortLink Inland Freight Corridor Plan and \$1 million for Albany Ring Road Stages 2 and 3 planning will utilise \$3 million of these funds.

Division: Nation Building – Infrastructure Investment	A. [redacted]
Written by: [redacted]	B. [redacted]
Contact No. [redacted]	C. [redacted]
Approved by: Andrew Jagers Executive Director NBII	D. [redacted]
Signature: [redacted] 21/4/2012	ANTHONY ALBANESE
Contact No.: 02 6274 7631	15/4/2012

• [REDACTED]

2. We recommend that funds be reallocated to the projects below. More detail on the projects is at Attachment D. A summary of the recommended reallocations is at Attachment A.

[REDACTED]

(i)

[REDACTED]

(ii)

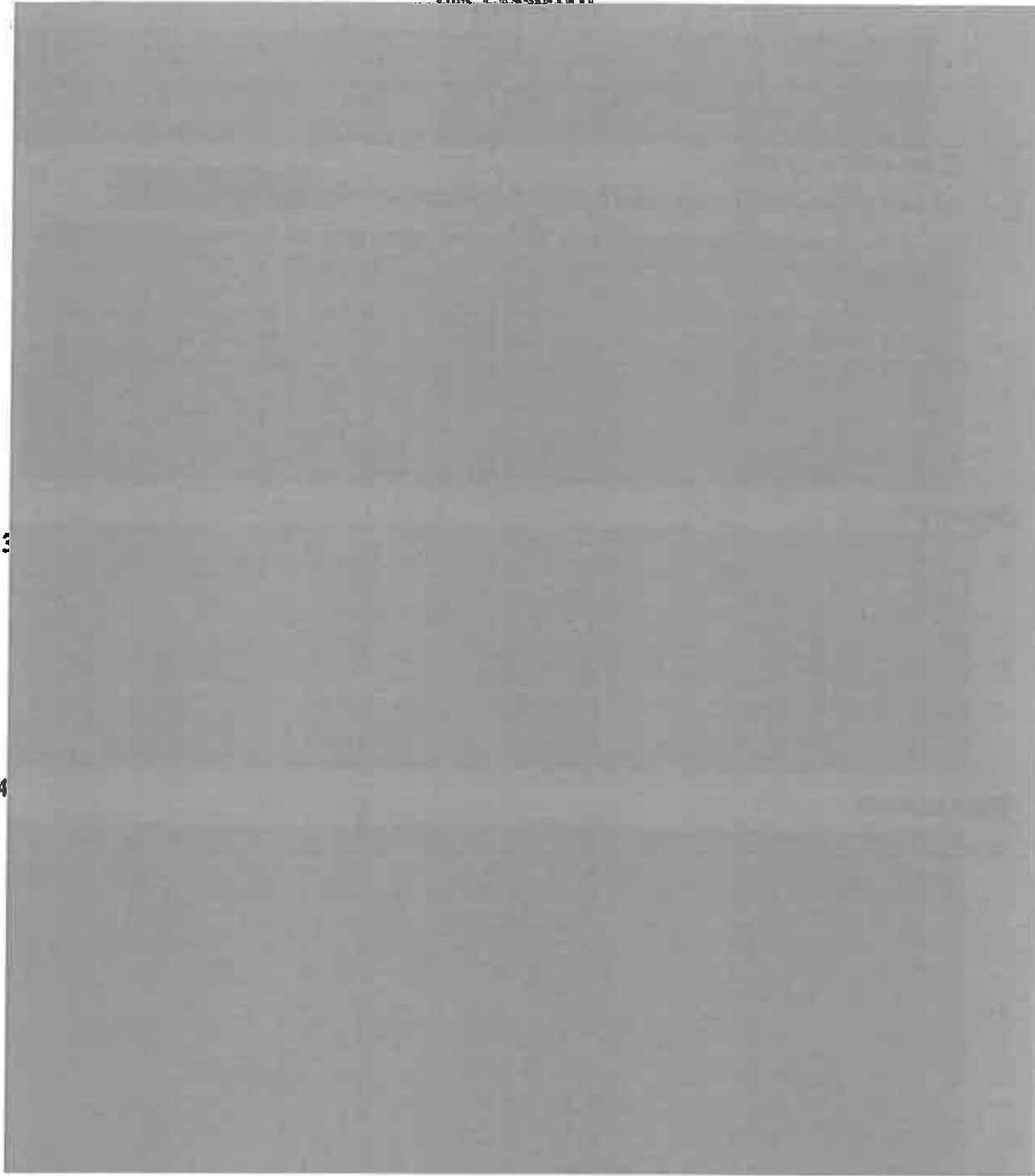
[REDACTED]

[REDACTED]

(iii) Planning for light rail in Perth: Your Office has advised that you have expressed an interest in contributing funding for light rail in Perth. There is no prospect of construction commencing in the current NBP (up to 2013-14), and the work required at this stage is a detailed study of the location of services (for example, electricity, gas, telecommunications and water) and a strategy for their relocation and management.

[REDACTED]

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Planning projects:

5. On 15 March 2012, you announced \$2 million for planning for the PortLink Inland Freight Corridor Plan (fully Australian Government funded). On 19 March 2012, you announced \$1 million for planning for the Albany Ring Road Stages 2 and 3 (funded on a 50:50 basis). The draft response to Mr Buswell incorporates the reallocation of funds to these projects.



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• [Redacted]

7. If you agree to the Option 1:

(a) this will leave unallocated funds from the Australian Government [Redacted]

(b) WA will need to allocate an additional \$6.7 million for the light rail planning [Redacted]

[Redacted]

Sensitivity:

8. [Redacted]

9. [Redacted]

Background:

10. [Redacted]

11. [Redacted]

12. [Redacted]

13.

14.

15.

Resources: Nil. As the proposal is for funds to be reallocated from within the NBP, there is no impact on the overall level of Australian Government funding.

Consultation: The Department has consulted the WA Department of Transport and Main Roads Western Australia in relation to this request.

Attachments:

- A. Summary of recommended reallocations.
- B. Letter from the Hon Troy Buswell MLA – 19 January 2012.
- C. Letter from the Hon Troy Buswell MLA – 8 March 2012.
- D. Background information on proposed projects.

SUMMARY OF RECOMMENDED REALLOCATIONS

Funds available for reallocation:

Project	Aust Govt funding (\$ million)	WA Govt funding (\$ million)	Total funding (\$ million)
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Project savings:

[Redacted]			
[Redacted]			

Cancelled projects:

[Redacted]			
[Redacted]			

Recommended reallocations:

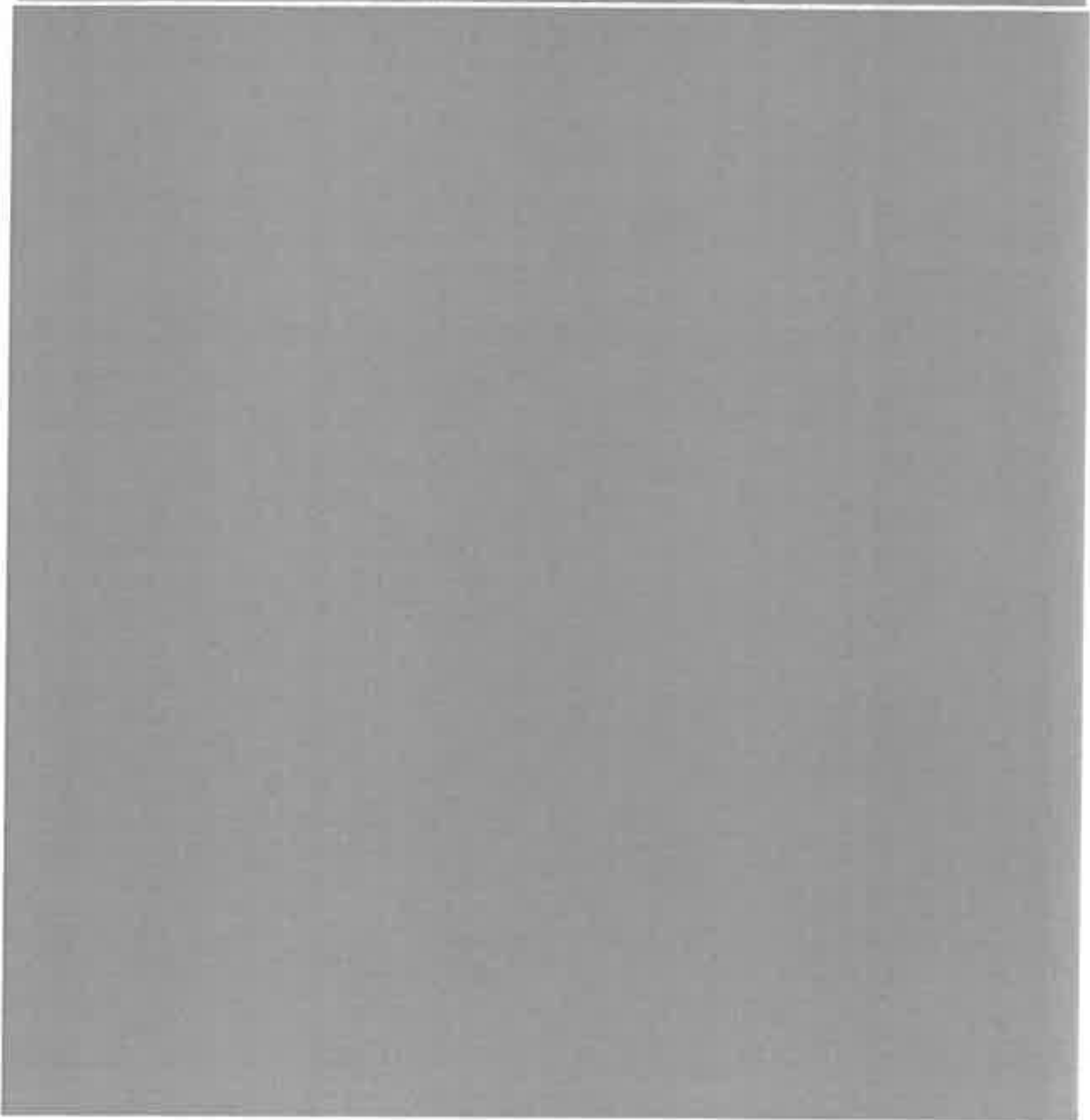
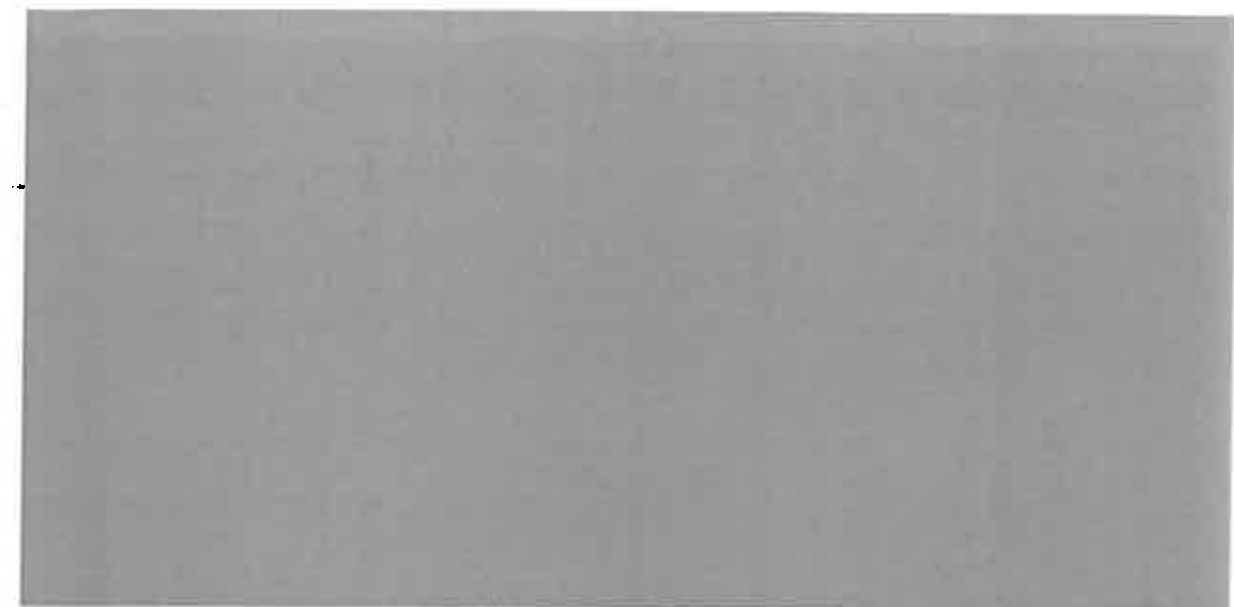
Project	Aust Govt funding (\$ million)	WA Govt funding (\$ million)	Total funding (\$ million)
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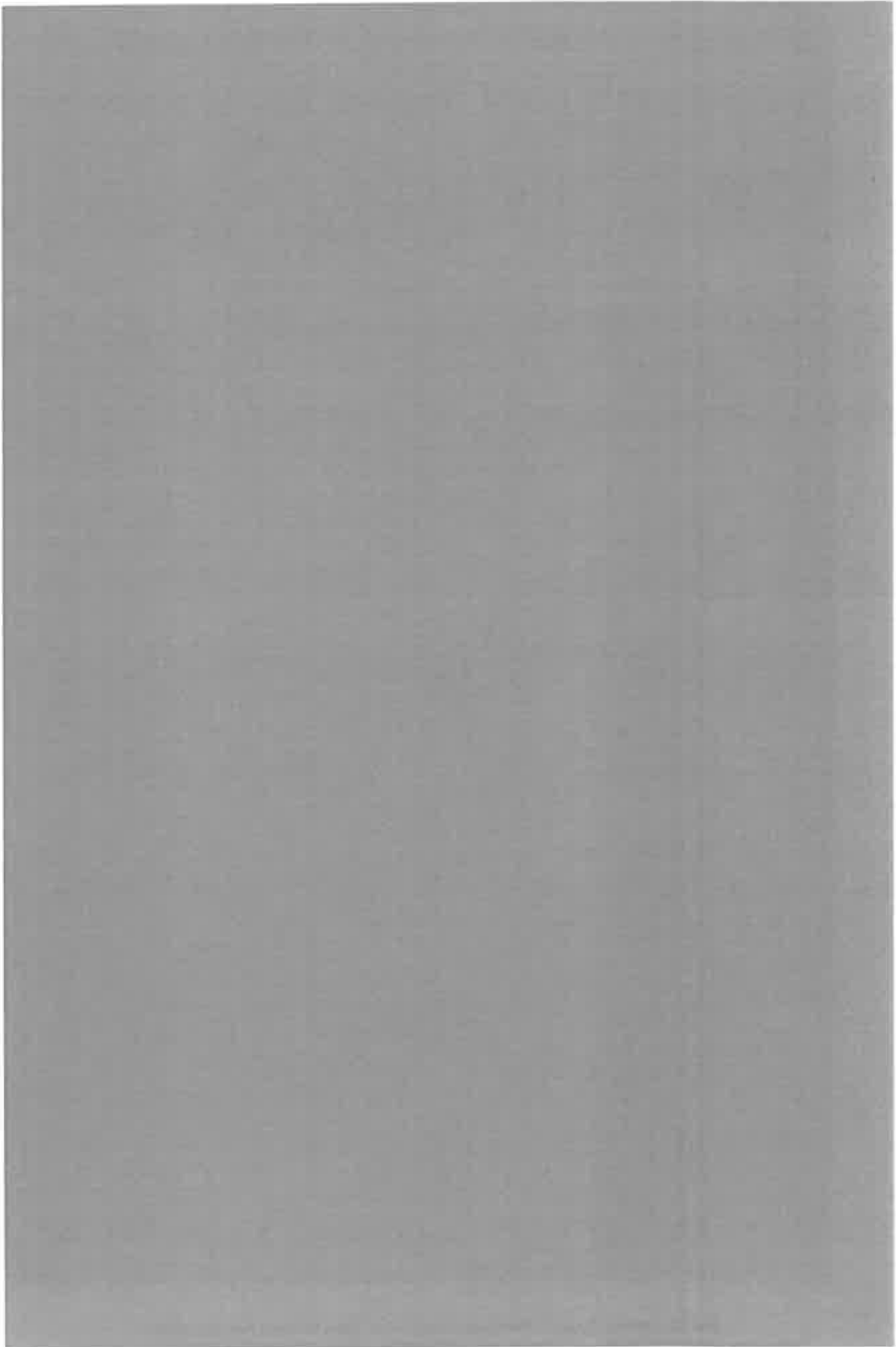
Cost increase:

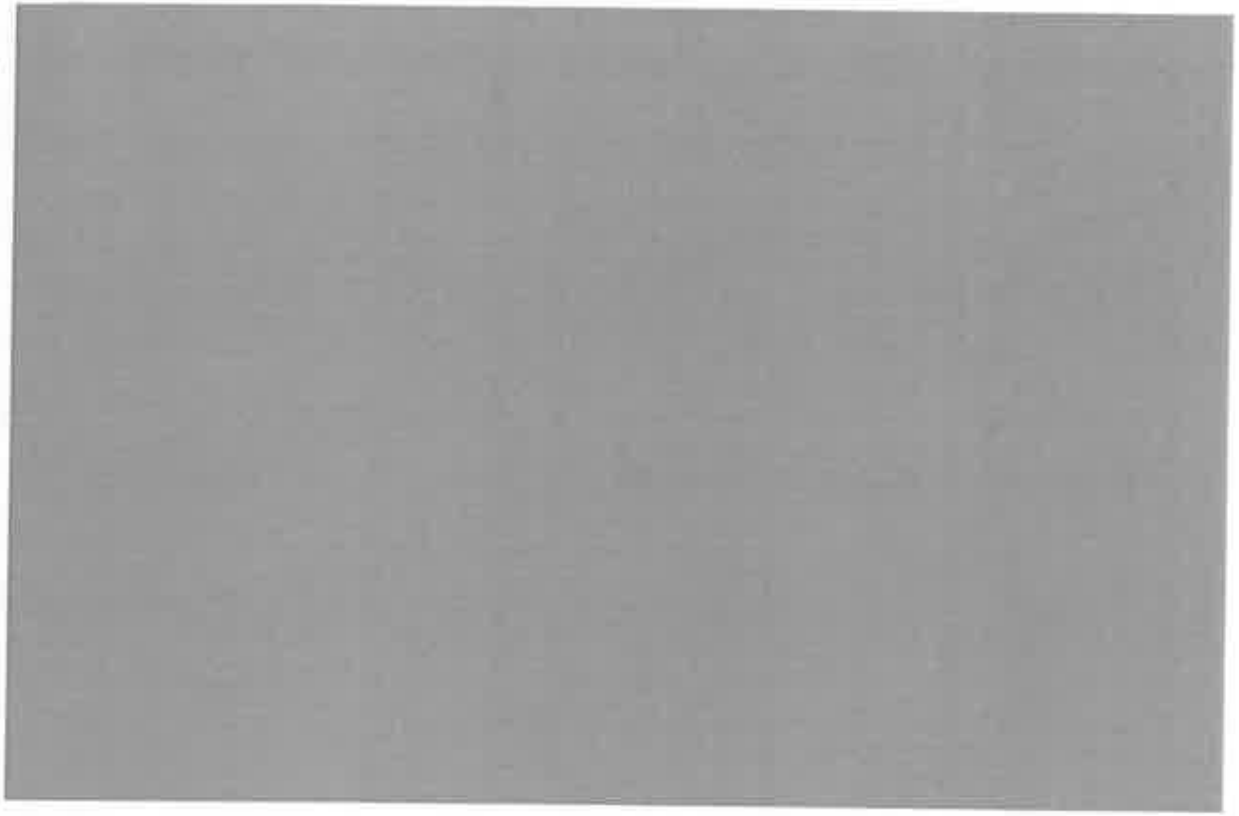
[Redacted]			
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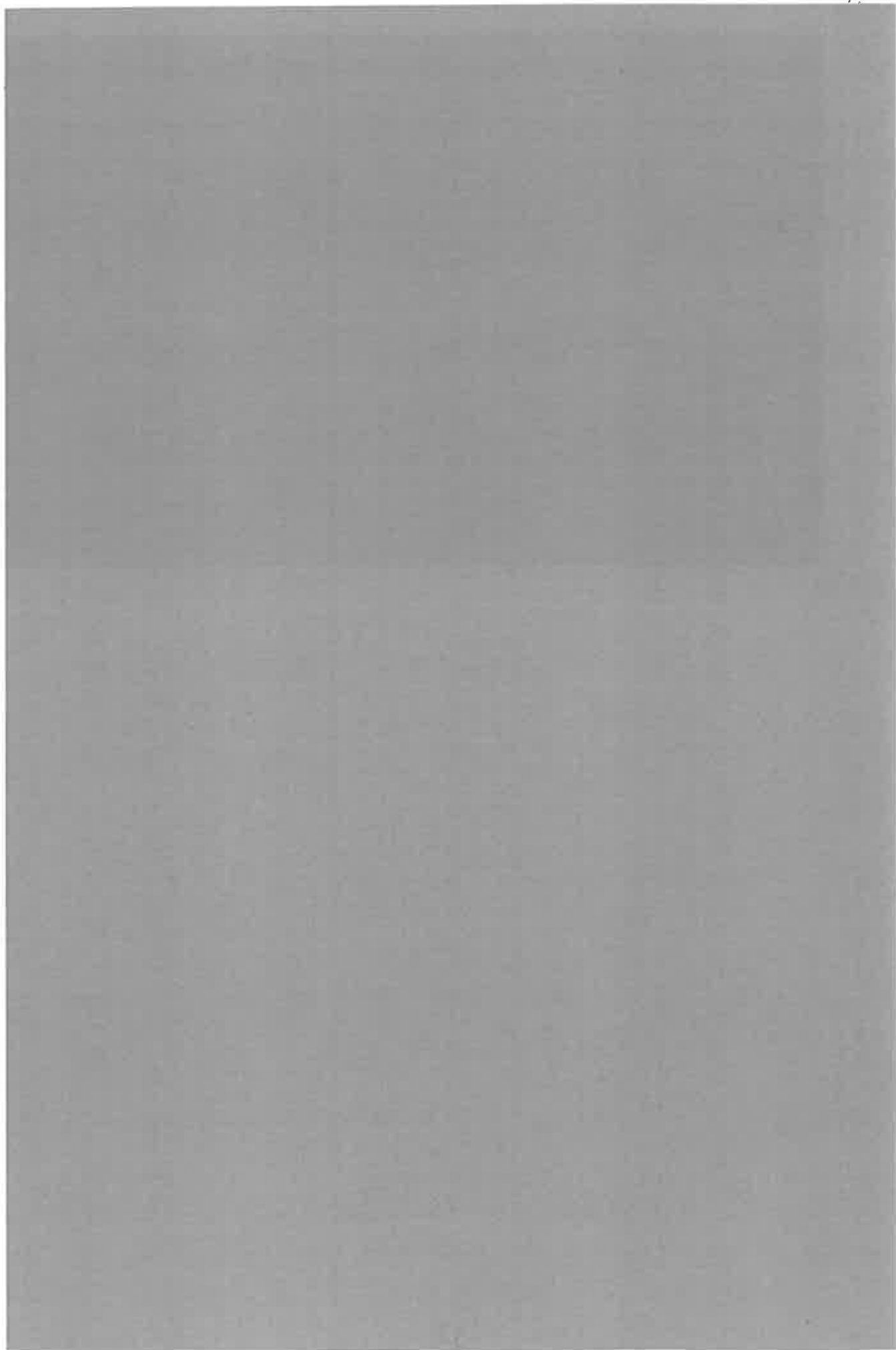
New projects:

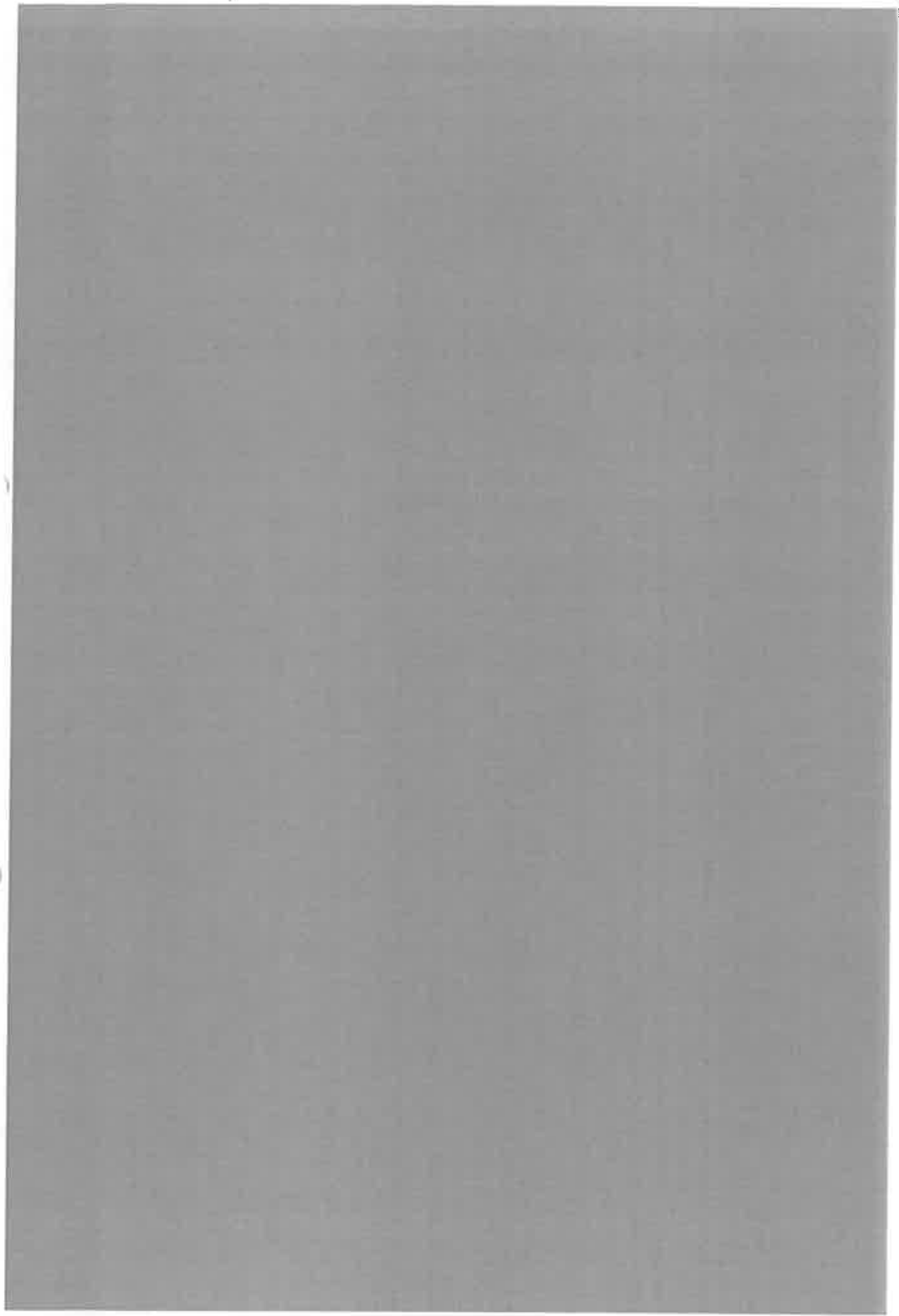
[Redacted]				
Light rail planning	(50:50)	2.50	2.50	5.00
[Redacted]				

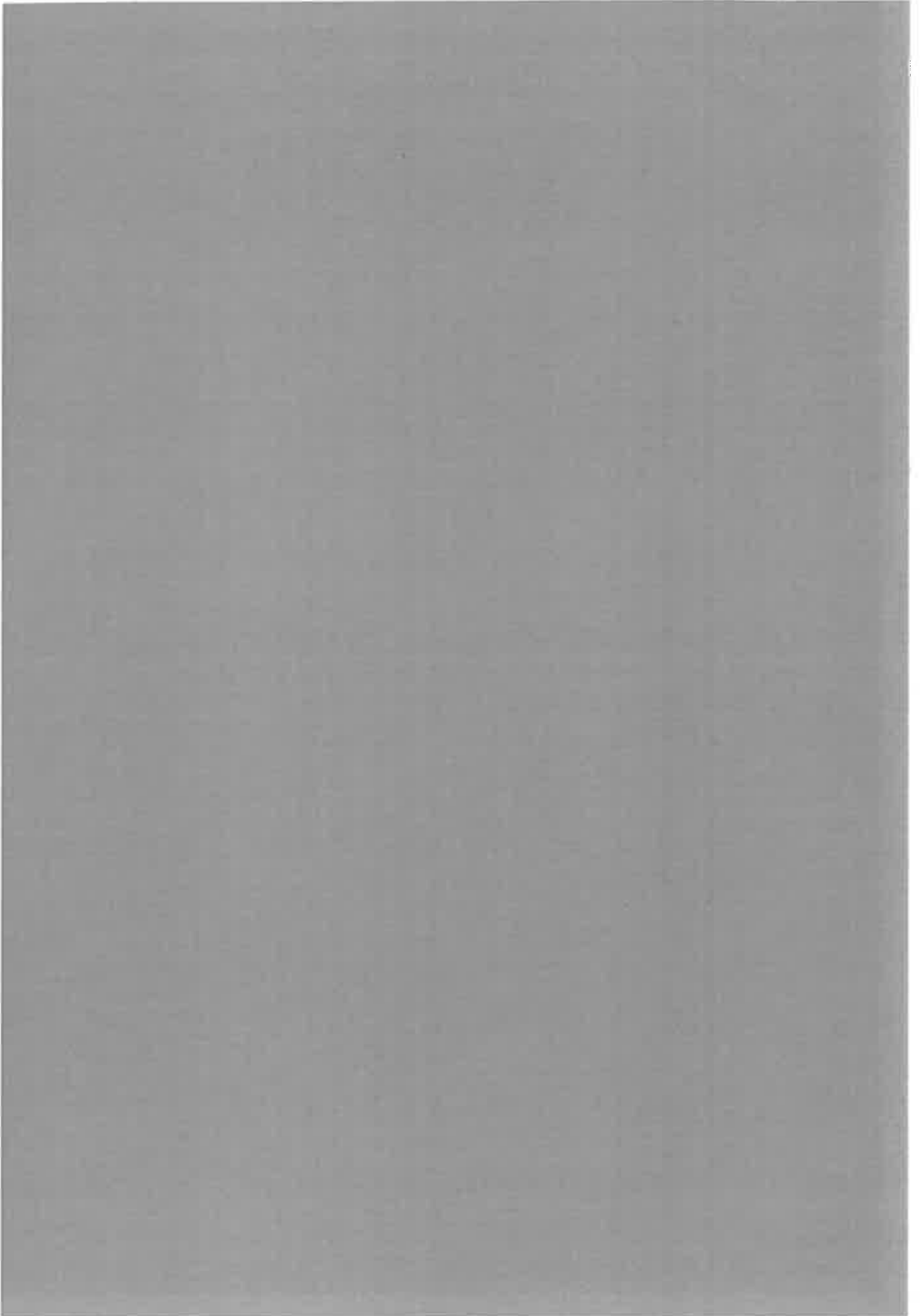


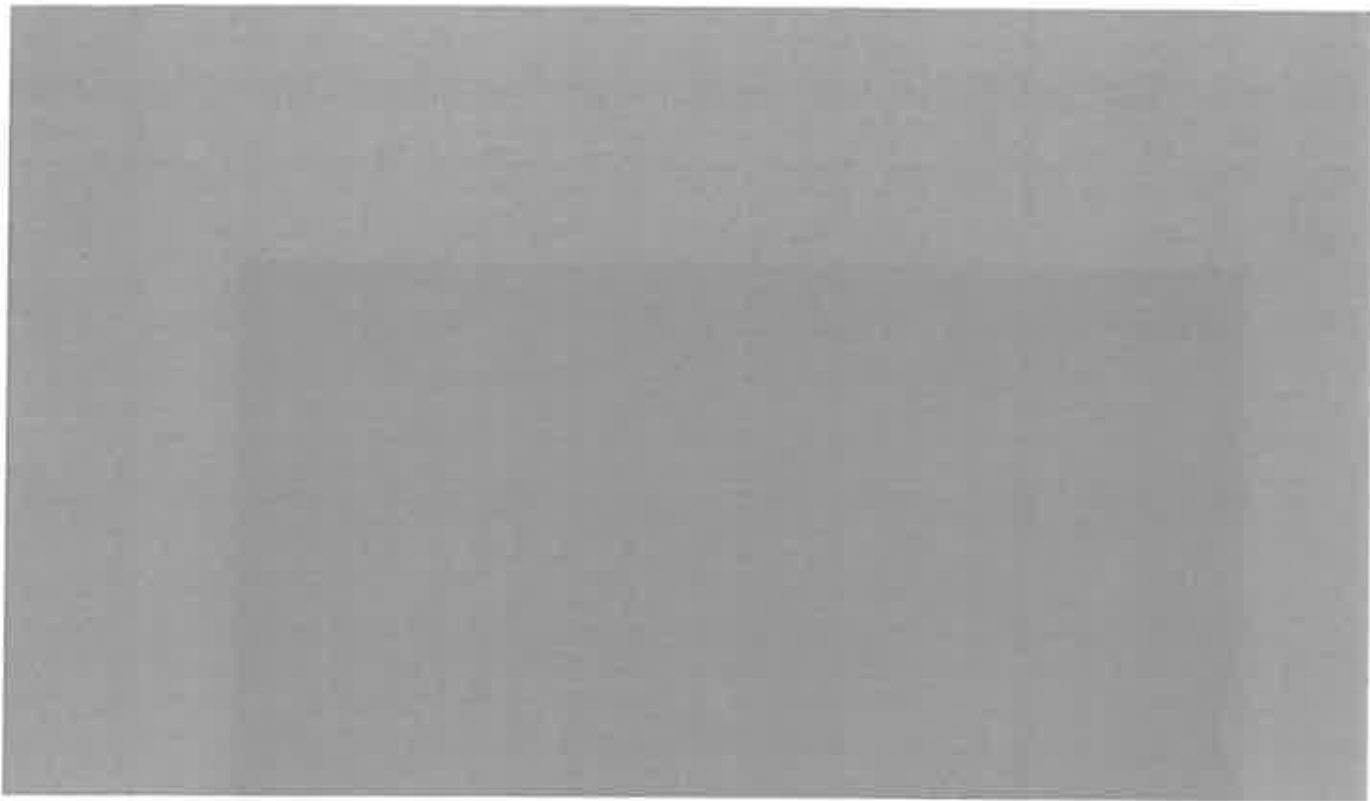


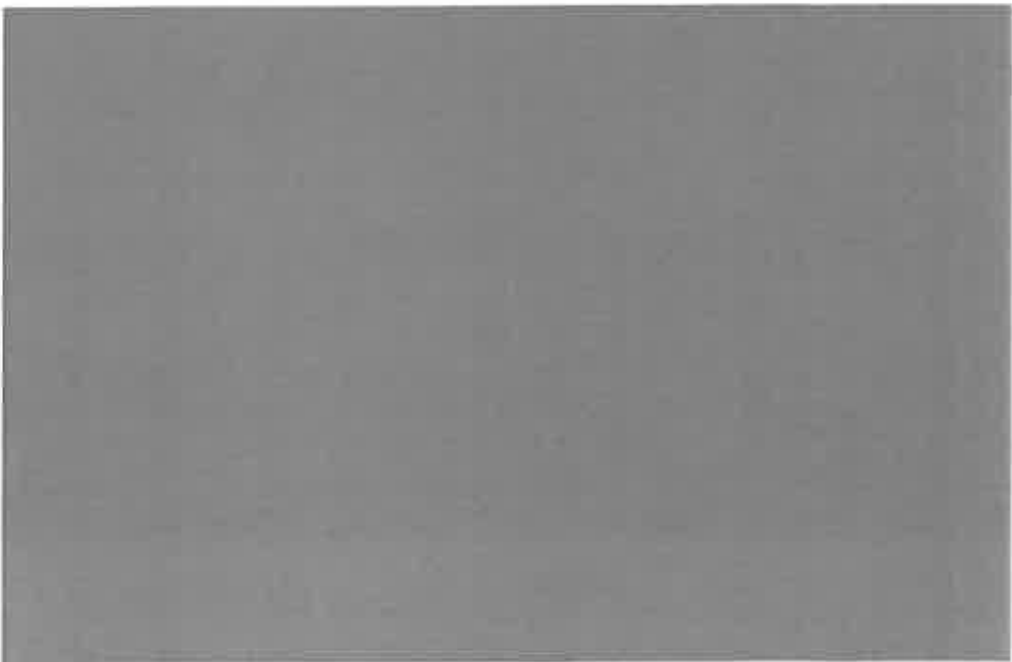












[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

