

**UNCLASSIFIED
DEPARTMENT OF INFRASTRUCTURE AND TRANSPORT**

FOR: The Hon Anthony Albanese MP cc:	eWorks Number: 02488-2013	For Decision by: 31 July 2013
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SUBJECT: Nation Building Program – Reallocation of Nation Building Program funds in Western Australia

Recommendation: That you:

R.1 [Redacted]

R.2 AGREE to reallocate WA Nation Building Program funds [Redacted] to the following projects:

(a) Airport Rail planning (\$3 million from the Australian Government and \$3 million from the WA Government);

(b) [Redacted]
(c) [Redacted]

R.3 SIGN the attached response to the WA Minister for Transport, the Hon Troy Buswell MLA, indicating that you have agreed to reallocate program funds to the above three projects but declined his earlier request to reallocate [Redacted]

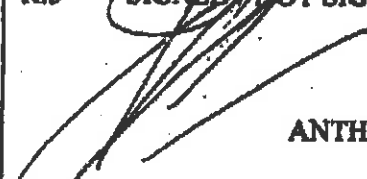
Key Issues:

1. The WA Minister for Transport, the Hon Troy Buswell MLA, wrote to you on 23 April 2013 (Attachment A) seeking agreement to reallocate an additional [Redacted]

[Redacted]

Minister Buswell has subsequently written to you on 18 June 2013 (Attachment B) seeking approval to reallocate WA Nation Building Program (NBP) funding to alternative projects (i.e. non managed motorways). [Redacted]

[Redacted] but indicates your in principle agreement to utilise remaining NBP 1 funds on the new projects, subject to submission of detailed Project Proposal Reports.

Division: Nation Building – Infrastructure Investment Contact: [Redacted] Contact 1: [Redacted] Approved by: Roland Pittar [Redacted] Signature: [Redacted] 10/7/2013 Contact No.: 02 6274 6424	R.1 NOTED R.2 (a) AGREED / NOT AGREED (b) AGREED / NOT AGREED (c) AGREED / NOT AGREED R.3 SIGNED / NOT SIGNED  ANTHONY ALBANESE 22/7/13
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2. [Redacted]

3. Mr Buswell had also previously written on this matter on 8 January 2013 seeking agreement to the above reallocation (Attachment C). On the basis of your 10 January comments, we prepared briefing and a draft response declining the request on 22 February 2013 (eWorks 00179-2013).

4. WA has undertaken planning for the Managed Freeways project over several years and, in that time, has also undertaken foundation works (e.g. communications fibre optic cable and associated conduit and ducting works).

5. Following your 10 January and 10 May comments WA transport officials have been considering (in consultation with the Department) alternative projects that could utilise remaining WA NBP 1 funds.

Minister Buswell letter 18 June 2013 – Reallocation of NBP funding to new projects

6. Minister Buswell has sought to reallocate [Redacted] to three new projects over the NBP 1 period. Following discussions with WA transport officials, this total has been increased to [Redacted] to utilise all remaining unallocated Australian and WA Government NBP funds.

7. The projects have been nominated on the grounds that they will 'build on' existing projects in WA's NBP and/or they can be substantially progressed in the NBP 1 period.

8. The projects are:

	AG \$m	WA \$m	Total \$m	Funding basis
Airport Rail – Planning	3.0	3.0	6.0	50:50
[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]

9. The Department supports the Airport Rail planning project, which involves developing patronage demand projection models and undertaking heritage and environmental approvals, on the basis that it will enable an early start to be made on planning in readiness for possible construction in NBP 2 and NBP 3 (Australian Government has committed \$500 million to 2018-19 for either the airport rail or light rail project in Perth).

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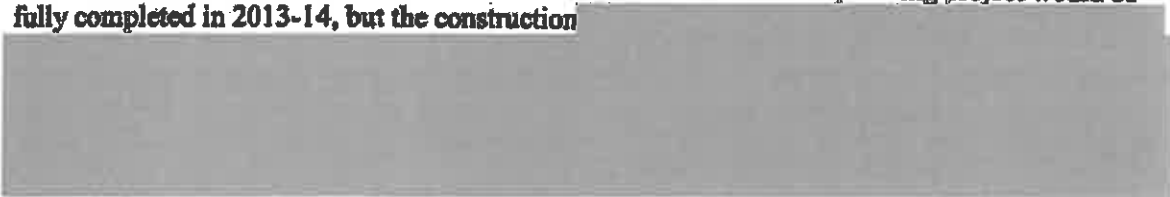
10.

11.



Funding issues

- 12. The proposed new projects would all commence in 2013-14. The rail planning project would be fully completed in 2013-14, but the construction



Background:

13.



- 14. The Department, in liaison with WA transport officials, has been unable to identify suitable alternative project options in WA that could utilise these funds in the NBP1 period.

Resources: Nil. As any reallocation of funds would be from within the existing NBP, there is no impact on the overall level of Australian Government funding.

Consultation: The Department has consulted Main Roads WA and the Department of Transport in relation to this request. The Division has also consulted the Surface Transport Division in relation to the national transport regulator reforms.

Attachments:

- A. Letter from the WA Minister for Transport, 23 April 2013
- B. Letter from the WA Minister for Transport, 18 June 2013
- C. Letter from the WA Minister for Transport, 8 January 2013