



ENGINEERS
AUSTRALIA

Media Release

Monday 11 October 2010

Embargoed 10:00am WAST

Pressures grow on the adequacy of WA's infrastructure

The release today of the Engineers Australia 2010 Western Australia Infrastructure Report Card found that the condition of WA's infrastructure is generally adequate (but needing major changes) to good (needing minor changes), and growing pressures remain on keeping up with demand and fixing many inadequacies.

The Engineers Australia WA infrastructure report card committee spokesperson, Chris Fitzhardinge, said, "While Western Australia continues to benefit through many economic opportunities and population growth, sustaining the momentum will not happen without more integrated, long-term planning and commitment to funding of infrastructure to underpin the State's future."

The 2010 report card reviewed infrastructure categories across energy, telecommunications, transport and water and assigned ratings *, and provides many comparisons with the initial 2005 WA Infrastructure Report Card. The 2010 report card also includes ratings for the additional categories of Roads Overall, Airports and Telecommunications.

Across the 14 report card categories – six fall within the good "B" rating range (needing minor changes) and eight are within the adequate "C" ratings (but needing major changes).

The report shows that since 2005 marginal improvements have been made in the area of Wastewater (B), and the ratings have remained the same for National Roads (B -), State Roads (B -), Rail (C +), Ports (B -), Potable Water (B -), Irrigation (C +) and Electricity (B -). However, the ratings for Local Roads (C -), Stormwater (C) and Gas (C +) have all slipped.

Ratings for the three new categories were: Roads Overall (C +); Airports (C +): and Telecommunications (C -)

Recommendations of the Report include:

1. The Western Australian Government produces an overarching infrastructure plan for the next forty years which meets the needs of the rapidly growing State and addresses the interactions between land-use, water, energy, transport and telecommunications.
2. Long-term regional infrastructure plans are prepared for each of the nine regions to facilitate private sector investment by providing an understanding of the commitment of governments and the sequencing of projects.
3. Sector infrastructure plans, such as the metropolitan freight, state transport, metropolitan transport and Perth bicycle network plans, need to be prepared as outlined in *Directions 2031 and Beyond*.
4. Infrastructure planning should lead rather than follow the development of new urban areas and redevelopment of existing areas.
5. The Western Australian Government closely monitors the performance of the urban housing infill targets in relation to the infrastructure requirements for the Perth metropolitan area.
6. Governments and the private sector in partnership increase expenditure on infrastructure based on the priorities established in the State and regional infrastructure plans.

7. Greater effort be given to managing and reducing demand for infrastructure services through changes in lifestyle, land-use planning, local employment, use of smart technology and pricing as it is recognised that it is often not practical nor financially viable to continually increase supply, particularly for peak demand.
8. The income derived from the shift to real cost pricing of water, electricity and other infrastructure services is directly linked to investments to improve reliability and quality of service.
9. The Infrastructure Coordinating Committee needs to improve its engagement with industry and the community to establish processes and priorities for the provision of major infrastructure and the accompanying private sector investment.
10. The Western Australian Government's approach to Australian Government initiatives, notably Infrastructure Australia, needs to be more effective so as to increase its share of national investment as this would better reflect the infrastructure requirements of the State.

The report includes comprehensive analysis and comment and includes the ratings table below for the current and past WA and National Report Cards.

Infrastructure type	WA 2010	WA 2005	National 2005	National 2001
Roads overall	C+	Not rated	C	Not rated
National roads	B-	B-	C+	C
State roads	B-	B-	C	C-
Local roads	C-	C+	C-	D
Rail	C+	C+	C-	D-
Ports	B-	B-	C+	B
Airports	C+	Not rated	B	B
Potable water	B-	B-	B-	C
Wastewater	B	B-	C+	C-
Stormwater	C	C+	C-	D
Irrigation	C+	C+	C-	D-
Electricity	B-	B-	C+	B-
Gas	C+	B+	C+	C
Telecommunications	C-	Not rated	Not rated	B

Further Information: **Summaries** of each infrastructure type, grade and comment **are attached** and a copy of the full report is available at www.engineersaustralia.org.au/ircwa . This report card is the sixth released in the new series that will be completed for all States and Territories by November 2010.

(* **The ratings** have been based on an assessment of asset condition, asset availability and reliability, asset management and sustainability. An "A" means very good and the infrastructure is fit for its current and anticipated future purposes; "B" is good, with minor changes needed to meeting current and future needs; "C" is adequate, but major changes required; "D" is poor, with critical changes required; and "F" is inadequate).

Media Contact: John Bright - 0407 234 490 / jbright@engineersaustralia.org.au
Engineers Australia is the common name of The Institution of Engineers Australia with over 93,000 members

The following summarises the 2010 WA Infrastructure Report Card ratings.

Infrastructure type	Grade	Comment
Roads overall National roads State roads Local roads	C+ B- B- C-	These ratings recognise that there have been improvements to national roads, maintaining their high standard. While there has been significant capital expenditure on State roads, road capacity expansions have not kept pace with the growth in both freight and passenger demand. Maintenance and renewal expenditure is inadequate to maintain the quality of the existing State roads. Local roads have deteriorated due to insufficient maintenance and renewal expenditure. Insufficient effort has been given to reducing road demand through shifting road usage to rail freight, public transport, and cycling/walking.
Rail	C+	This rating recognises that the metropolitan network has continued to improve, but problems exist, including overcrowding at peak times and insufficient station car parking. The regional rail network has contracted in the South West Land Division, parts of the grain network require substantial maintenance to maintain their load capacity and on-going viability, and there is a lack of long-term certainty over parts of the network. Problems exist with the interstate network and the connection to ports and intermodal facilities, meaning that road transport is increasing its competitiveness over rail. The Pilbara lines continue to be of a high efficiency, reflecting both their recent construction and high design standards, as well as operating as part of a vertically integrated supply chain.
Ports	B-	This rating recognises that there has been a substantial expansion of major WA ports in response to growing demand from the resources sector and the broader industry. At some ports, this expansion is causing a conflict between port-related activities and surrounding commercial and urban land users, resulting in land-side connections becoming stressed. The growth of the economy will require further expansion and there is a need for long-term port planning and investment.
Airports	C+	This rating recognises that there has been significant investment in the Perth Airport although this has lagged behind the dramatic growth in demand. There is ongoing concern about the commitment to, and the timing and logistics of, the International Terminal consolidation (Terminal WA) and the major road improvements around the airport (Gateway WA project). There has been an appropriate level of development at regional airports to meet changing demand, and incremental and sustained improvements in remote airport infrastructure due to the Regional Airport Developments Scheme.
Potable water	B-	This rating reflects the improvement in water security in Perth due to the construction of major new water supplies. However, planning and investment across regional WA continues to be an issue. The advances are noteworthy given the drying climate and the increasing demand arising from economic and population growth. The water infrastructure in newer metropolitan areas and expanding towns is of a high quality, however, assets are ageing in Perth's CBD and older towns. While the long-term water planning approach for southern WA is excellent, there is concern about the availability of funding over the long term to deliver it. Water systems in regional towns and remote areas are of a reasonable standard, albeit lower than Perth, given their environmental and financial constraints and legacy infrastructure.
Wastewater	B	This rating recognises that there has been an improvement in wastewater infrastructure in terms of environmental outcomes and operational performance across the State. However, the delay to complete the infill sewerage program and the slow increase in water recycling in Perth are notable deficiencies.

Infrastructure type	Grade	Comment
Stormwater	C	This rating recognises that there has been an improvement in policy and guidance documentation on stormwater infrastructure, but little practical developments. There is a lack of information on stormwater assets constraining an effective understanding of the scale of the issue, which prevents prioritisation of work. There has been insufficient attention given to improving stormwater quality, although some local governments have invested in better management of discharge into environmentally-sensitive areas. The drying climate may have masked hydraulic capacity and asset quality problems of stormwater infrastructure.
Irrigation	C+	This rating recognises that there have been improvements in irrigation infrastructure in several irrigation areas resulting in improved efficiency and reduced water loss. The asset management regime for each irrigation schemes is developing. The expansion of the Ord River Irrigation Area is incorporating higher standards of water management. There is a need for continuing investment in water efficiency both on-farm and in distribution networks.
Electricity	B-	This rating recognises that the expansion of the generation and transmission network in the South West Interconnected System has been adequate to meet the high growth in demand experienced with the expansion of population. However, problems exist, including the need for reform of the Wholesale Electricity Market, the lack of transmission capacity in many urban and regional areas, reliability concerns in regional areas, and ageing transmission and distribution assets. The NWIS is sub-optimal for today's electricity needs in the Pilbara region. The State's isolated electricity systems are generally in good condition and many remote communities have received improved electricity supplies over the last few years due to the regularisation program.
Gas	C+	This rating recognises that WA is fortunate in having significant gas reserves and has efficient gas transmission pipelines that have expanded in line with demand from large customers. However, the single points of failure in production and transmission infrastructure are a major concern, as is the lack of a long-term gas policy with a supportive regulatory framework that can deliver infrastructure to meet the rapidly-evolving gas demand in WA.
Telecommunications	C-	This rating recognises that the PSTN network is of a good standard for telephony, but has major limitations in providing data services, as seen in the significant broadband black spots in metropolitan Perth and very limited availability in non-metropolitan areas. Mobile phone coverage in larger urban areas across the State is adequate, however, there is a lack of coverage outside major regional centres and, critically, along major highways. In addition, there is a lack of competitive infrastructure for mobile phone networks outside major centres. Backhaul is adequate to metropolitan areas but is failing to provide the level of services required in other areas of the State.