



ENGINEERS AUSTRALIA

Queensland Government

Releases 2018 Version of SIP Part B

On Tuesday 31 July 2018, Cameron Dick (Queensland Minister for State Development, Manufacturing, Infrastructure & Planning) launched the 2018 review of the **State Infrastructure Plan (SIP) Part B** at a combined industry event co-hosted by Engineers Australia, Infrastructure Association of Queensland (IAQ), and Consult Australia (CA).



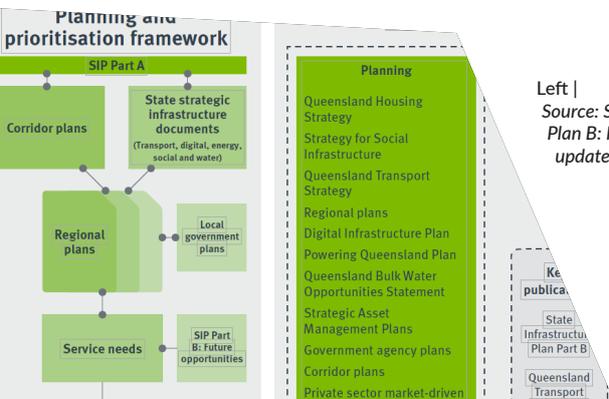
SIP is a two-part document defining the State Government’s commitments and priorities for infrastructure investment in Queensland.

Part A:

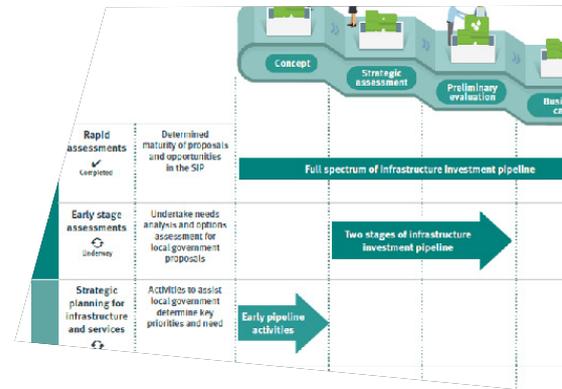
- Defines the current strategy
- Is reviewed every five years
- Was released in 2016

Part B:

- Documents the actual program
- Is reviewed annually
- Represents the documents third revision



Left | Source: State Infrastructure Plan B: Program - 2018 update, Figure 2



Right | Source: State Infrastructure Plan B: Program - 2018 update, Figure 7

SIP Part B includes a pipeline of infrastructure projects and programs directly linked to State Government’s budget commitments and this latest release reflects commitments made by State Government in the 2018 budget papers released in June for the 2018-19 financial year, plus the subsequent three years comprising Government’s forward estimates period.

This infrastructure pipeline is estimated at \$45.8B, of which \$11.6B is committed for the 2018-19 financial year.

The next state election is anticipated in October 2020.



What's the significance of the revised document?

1. It's the first version since the Government portfolio restructure post-Queensland election in November 2017. **Government responsibilities for State development amalgamated with those for Infrastructure and Planning under a single minister.**
2. The amalgamation of portfolio responsibilities is reflected in this revised SIP Part B through the **holistic hierarchy mapping of various State, Federal & private sector infrastructure initiatives.**
3. It **captures infrastructure projects** under the State Government Infrastructure Fund, Land Use Planning, Coordinator General Programs, Disaster Recovery & Resilience Programs, joint State/Local Government programs, projects of national significance (Infrastructure Australia), as well as state projects being assessed by Building Queensland.

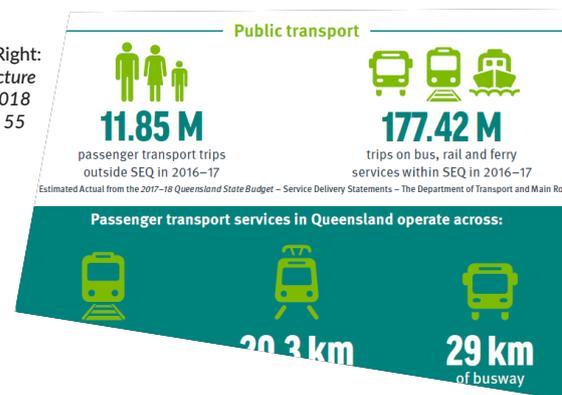
4. **In the four-year horizon:** 49 new projects in the planning phase identified; 50 projects have progressed through concept/strategic assessment/preliminary evaluation/business case phases; 27 projects now in delivery phase.
5. It **covers both economic** (Transport, Energy and Water) and social (Health, Education & Training, Digital, Justice & Public Safety, Arts & Recreation, and Social Housing) **categories of infrastructure**, and is structured by the area of technical discipline.
6. Each infrastructure **includes a discussion on 'opportunities'**, which include desired planning outcomes not specifically addressed by nominated projects and other initiatives in development stages.
7. It includes a **section on specific progress made during 2017/18** on pipeline projects identified within previous versions of the document.

Our observations?

1. **This version of SIP Part B is more holistic than the previous two versions**, reflecting a restructured Ministerial portfolio that amalgamates State Development with Infrastructure & Planning. This is a positive outcome for industry in terms of clarifying planning relationships.
2. SIP Part B now **represents a significant data source for engineers and industry alike** regarding Government infrastructure investment commitments over the four-year forward estimates period, and desired priorities for beyond that period.
3. With the next State election due in two years, **the industry needs bi-partisan political support** to this nominated pipeline of infrastructure planning and project commitments that extends beyond the political cycle. This support is essential to address growing concerns regarding sovereign risk associated with infrastructure investment.

4. **The delivery of Regional Plans to cover areas of Queensland outside of the South-East corner must continue**, and indeed be accelerated, to confirm that infrastructure investment priorities are indeed the right projects at the right time to support desired community outcomes in the face of continuing planning challenges. Increased efforts to win community 'ownership' of these regional plans is essential to securing confidence in their validity.
5. With the commitment to \$45.8B over four years, and \$11.6B of that for 2018-19, **there remains concern that this level of infrastructure investment is insufficient to address the current infrastructure investment backlog** necessary to support growth rates forecast for both South-East and Regional Queensland.

Right:
Source: State Infrastructure
Plan B: Program - 2018
update, page 55



6. **The Government's recent focus on managing actual under-expenditure on forecast infrastructure investment budgets must remain strong.** Without actually delivering on forecast infrastructure expenditure, the community infrastructure backlog will continue to escalate and industry's confidence in investing in the required resourcing and skills development will further decline. Queensland will then continue to be uncompetitive in the race for skills acquisition and retention necessary to deliver the desired infrastructure programs.