

# Updated responses to COVID-19 economic impacts

In response to COVID-19, Federal, state and territory governments have announced new measures to stimulate economic growth. The below brief summarises the new measures put in place by each government to accelerate capital works projects and stimulate economic growth.

## Federal

On 15 June, the Federal Government announced \$1.5 billion in infrastructure funding to accelerate planning processes for 15 major projects across the country, including:

- Inland Rail Link between Melbourne and Brisbane
- Marinus Link between Tasmania and Victoria
- Olympic Dam Mine in South Australia
- Emergency town water projects in NSW
- Road, rail and iron ore projects in Western Australia

The Federal Government also announced the previously established Deregulation Taskforce will be moved into the Department of Prime Minister and Cabinet, to be led by Assistant Minister to the Prime Minister and Cabinet, Ben Morton to “drive a whole-of-government approach to how regulatory policy is prosecuted”.

The Federal Government is preparing to release a review of the Environment Protection and Biodiversity Conservation Act, which is set to recommend cutting environmental regulation or ‘green tape’ to speed up project approvals from 40 days to 30 days.

In May, the Federal Government announced \$500 million for Local Road and Community Infrastructure Program (LRCI) and the bringing forward of \$1.3 billion of the 2020-21 Financial Assistance Grant to accelerate priority projects, including tunnels, bridges and bicycle and walking paths. The LRCI Program will support local councils to deliver projects through predetermined allocations of funding per council. This funding model takes into account road length, population and recommendations of the Local Government Grants Commission.

## Victoria

The Victorian Government has announced a range of infrastructure projects, namely the \$2.7 billion Building Works Package to fund and support education and transport infrastructure, including:

- \$438.6 million to build ten new schools and deliver a further four stages of new school projects to open in 2022
- \$388.8 million to deliver 57 upgrades and modernisation projects at schools

- \$130 million to the Established Areas Program to provide additional capacity at 9 schools
- \$114.5 million to purchase and refurbish relocatable school buildings
- \$10 million to support infrastructure modifications for the 2021 school year
- \$55 million for TAFE maintenance work
- \$27.7 million for the Building Blocks program
- \$20 million for a Minor Capital Works Fund to bring forward small priority projects
- \$382 million in upgrades and maintenance for tourism destinations
- \$328 million for resurfacing and patching roads, regional track improvements, train upgrades, and pier upgrades
- \$100 million for critical upgrades of CFA and SES stations, disability accommodation, mental health, and aged care facilities
- \$291 million for two tower residential development at 938 Collins St
- \$250 million for development in Caulfield
- \$150 million for Geelong Civic Precinct
- \$200 million for a solar farm at Kennedys Creek
- \$41.2 million for apartments in North Melbourne
- \$70 million for development in Kensington
- \$110 for nine0story mixed use development in Glen Iris

A further \$350 million has been allocated to the Victorian Higher Education State Investment Fund to support universities with capital works focusing on new technology and infrastructure, in addition to the previously announced Building Works Package.

The Victorian Government has created the Building Victoria's Recovery Taskforce to assist the state's building and development industry during the COVID-19 period, co-chaired by Roger Teale, Jude Munro AO and Stan Krpan. Planning Minister Richard Wynne said the newly created taskforce will "help deliver existing projects more efficiently and assist new projects to get off the ground faster," by investigating new planning and investment opportunities. Major projects under this taskforce include:

- 21 storey office building in the Melbourne CBD to be the AFB Melbourne headquarters
- 69 storey building in the Melbourne CBD for apartments, retail spaces and an art gallery
- 41 storey hotel, office and retail space in the Melbourne CBD
- 20 storey commercial and retail space in the Melbourne CBD
- \$60 million redevelopment of the Commonwealth Games Village in Parkville for residential development

The Government has also announced new dwellings, repairs, upgrades and maintenance for Aboriginal social housing in Hampton Park and Dandenong. The package will begin construction within six months and provide:

- \$35 million for upgrades, maintenance and repairs of existing Aboriginal social housing



- 12 new homes

A further \$15.3 million package has been allocated, extending on the previously announced Solar Homes programs. The extension of the package will include:

- \$10.3 million for sports clubs and community halls for improved energy efficiency
- \$4 million for energy efficiency and hot water unit upgrades in high rise properties

The Government will provide \$25 million for the expansion of the Growing Suburbs Fund for the advanced delivery of upgrades and new facilities, and an expansion to the fund for peri-urban councils experiencing population increases.

A series of funding and grant opportunities for public camping, caravan and recreational facilities as part of the Building Works scheme will become available, including:

- \$18.9 million for maintenance and upgrades to public visitor sites, recreation reserves, camping spots and picnic facilities
- \$2.5 million in grants for 25 projects for improvements to facilities at campgrounds and caravan parks with a further \$2 million made available in July

## **New South Wales**

On 29 June, the Federal and New South Wales Governments jointly announced a \$1 billion investment in shovel-ready infrastructure projects across three key priority areas in the state, including:

- \$240 million to fix 11 congestion hotspots around Sydney
- \$382 million to assist local councils upgrade roads across regional NSW
- \$398 million for road safety projects in regional areas

The New South Wales Government has also announced it is fast-tracking maintenance and construction on capital works projects to stimulate the local economy, including:

- \$220m upgrade of an NSW-QLD electricity interconnector, now due to begin in September 2021, 18 months before schedule
- \$285 million Powering Sydney's Future project fast tracked to begin construction within 2 months
- Re-asphalting on the Sydney Harbour Tunnel
- Resurfacing of the M5 East Motorway

Transport Minister Andrew Constance has called for asset recycling – the sale of public assets to reinvest in new projects – as a way to fund these projects. On 20 April, it was announced the New South Wales Government was “pressing ahead” with a scoping study to decide whether to sell or retain its 49 per cent stake in the 33-kilometre WestConnex motorway.

The Government has also fast-tracked planning processes through its Planning System Acceleration Program, which will:

- Accelerate planning approval processes of State Significant Developments (developments believed to have State significance due to size, economic value or potential impacts), development applications and rezoning projects
- Increase the number of works that can be carried out without planning approval





- Support councils to fast-track locally and regionally significant development applications
- Invest \$70 million to co-fund new infrastructure in North-West Sydney, including roads, drainage and public parks
- Manage the current backlog in the Land and Environment Court through the appointment of two new Commissioners. The NSW Government has thus far appointed Peter Achterstraat as a temporary Productivity Commissioner, tasked with overhauling the current system of developer levies and contributions. The Commissioner is due to deliver a report into the changes on March 31 2021.

The New South Wales Government has also announced a series of accelerated planning projects, including:

- Snowy 2.0 Main Works
- Powering Sydney's Future
- Ivanhoe Stage 1 Meadowbank E&E Precinct Schools Project
- University of Newcastle Campus Stage 1A
- Alex Avenue Public
- Doncaster Avenue Student Accommodation
- West Nowra Landfill Expansion
- New Warnervale Public School
- Bunnings Warehouse Leppington
- Visy Dry Recyclables Facility
- Young High School Library
- Horsley Park Brickworks Plant 2 Upgrade
- St Anthony of Padua Catholic College
- Penrith Resource Recovery Facility
- Palmers Island Marine Based Industry
- North Sydney LEP – Pacific Highway
- North Sydney LEP – Christie Street
- North Sydney LEP – Atchinson Street
- \$26 million for technological upgrades to the Austral Bricks facility in Horsley Park
- \$1.8 million for a new recycling and transfer facility in Penrith to be operated by NSW Waste Recycling
- Sydney Fish Markets Stage 2 Works
- Eastern Creek Retail Centre Lot 1
- Public School in Wagga Wagga
- Borg Panels Timber Processing Facility Expansion in Oberon
- Enigri Batter Recycling Facility in Wagga Wagga



Further, the Government has announced a \$3 billion Job Acceleration Fund for small shovel ready projects, and has said it will no longer proceed with the refurbishments of Stadium Australia, instead redirecting \$800 million of its funding to the Acceleration Fund.

Regionally, the Government has allocated \$1.1 million for resurfacing in the Hunter region, \$1.5 million for safety improvements to the Pacific Highway Failford Road intersection on the Mid North Coast, and \$500,000 for safety improvements to the Alpine Way in the Snowy Mountains.

The Federal and State Governments have jointly announced the \$1.3 million Urban Congestion Fund for planning and upgrades to Homebush Bay Drive.

On 1 July, the New South Wales Government announced a new Planning Delivery Unit (PDU) to work with Government agencies to fast-track planning processes across the state.

Planning Minister Rob Stokes has said the PDU will focus on major development applications, State Significant Developments, planning proposals and precincts. The PDU will prioritise four planning projects over the next eight weeks, including:

- Parramatta Road Corridor Strategy
- St Leonards Crows Nest 2036 Plan
- Glenfield Precinct
- Marsden Park North

## Queensland

On 22 June, the Federal and Queensland Governments jointly announced \$415 million for shovel ready infrastructure projects including the Burke and Gregory Developmental roads, the Gateway Motorway Flyover and regional road safety upgrades.

This followed the Queensland Government's \$400 million road stimulus package, which included:

- \$37.5 million for the Mount Lindesay Highway upgrade
- \$35 million Lawrie Street upgrade
- \$30 million Beaudesert Road intersection upgrade
- \$18 million Six Mile Creek Bridge upgrade
- \$15 million Centenary Motorway and Logan Motorway interchange upgrade
- \$15 million in additional funding for the Cleveland-Redland Bay Road duplication
- \$13 million Proserpine-Shute Harbour Road duplication upgrade
- \$10 million Brisbane, Chermside and Glebe roads intersection upgrade
- \$10 million Beaudesert-Beenleigh Road upgrade
- \$9.5 million for the Beckmans Road and Cooroy-Noosa Road intersection upgrade
- \$8.9 million to widen Herveys Range Developmental Road near Townsville
- \$3.75 million Caloundra Road and Ridgewood Road intersection upgrade
- \$3.5 million Mulgrave Road and Brown Street upgrade in Cairns

- \$1.5 million Gold Coast Highway and Toolona Street pedestrian upgrade

Alongside these transport projects, the Government announced the fast tracking of two key projects, including:

- \$14.8 million in support for the CopperString 2.0 transmission line from Townsville to Mount Isa, to begin construction in the first half of 2021
- \$5 million transmission line to secure Brisbane Valley power supply

The Queensland Government has also announced a \$100 million Resources Community Infrastructure Fund (RCIF) over the next three years to support projects aimed at improving economic and social infrastructure within Queensland's resources communities.

The Government has also announced \$200 million for regional and remote works, including \$150 million for regional local councils, \$5 million for Brisbane City Council, and \$45 million for SE Queensland local councils.

The Queensland Government with Federal Minister for Natural Disaster and Emergency Management David Littleproud announced \$16 million in state funding to rebuild infrastructure damaged during the Queensland monsoons. The funding will support 46 projects including the construction of causeways, floodways, new road sealing, drainage and other improvements across regional Queensland. The Federal and Queensland Governments have also jointly announced \$415 million for shovel ready infrastructure projects including the Burke and Gregory Developmental roads.

## Western Australia

On 21 June, the Federal and Western Australian Government jointly announced \$223 million to fast-track shovel ready infrastructure projects in Western Australia. The Federal Government's \$176 million and State Government's \$47 million contributions will be invested in projects along the Great Eastern and Bussell Highways, Exmouth Road and Toodyay Road and road safety improvements across regional WA. The overall funding package is projected to support 1,000 jobs during construction.

The Western Australian Government has also announced progress on the construction of major transport infrastructure projects, including:

- Ongoing METRONET aligned projects including Infrastructure Australia approval for the Morley-Ellenbrook Line, completion of two social housing developments, request for proposal issued for METRONET Lakelands Station
- Construction to commence on the \$18.34 million Esperance TAFE campus
- Completion of the \$1.02 billion NorthLink WA between Morley and Muchea
- Completion of tunnelling on Metronet's Forrestfield-Airport Link on April 21

On 23 April, in an effort to maintain a skilled construction workforce, the Government announced \$24.5 million for the construction workforce, including support for employers, apprentices and trainees.

To aid these infrastructure projects, the Government also announced major planning reforms on 20 May, introducing a new development application process for "significant, job-creating projects" for the next 18 months. Under this new process, "significant developments" are defined as:

- Proposals with an estimated cost of \$30 million or more
- Residential dwelling proposals with 100 or more dwellings; or
- Commercial developments with a minimum 20,000sqm of commercial floor space

- Regional or tourism projects that may not meet the above criteria but are considered important to assist in the COVID-19 recovery

The Government has tasked the Western Australian Planning Commission with decision-making on these projects in the short term, but has proposed to create a new Special Matters Development Assessment Panel in the long term.

On 7 June, the Government announced a \$444 million housing stimulus package including:

- \$117 million for \$20,000 Building Bonus grants to new home builds or purchase in 2020 in addition to the Federal Government's *HomeBuilder* scheme
- \$8.2 million expansion to the 75 per cent off-the-plan transfer duty rebate
- \$97 million for the construction of social housing and off-the-plan units for supporting housing

The Western Australian Government has also announced a \$319 million Social Housing Economic Recovery package for the refurbishment, maintenance and construction of social housing. The package will see 1,500 dwellings stripped to their frames and rebuilt, maintenance to 3,800 dwellings and the construction of 250 new dwellings.

### **South Australia**

On 24 June, the Federal and South Australian Governments announced a joint investment of \$145 million for four shovel ready road and rail projects and nine road safety projects, including:

- Heysen Tunnel refit and safety upgrade
- Regional North-South Freight Route
- Regional Road Network Package
- Adventure Way and Innamincka Airport access road
- Installation of safety barriers
- Long Valley Road safety improvements
- Activated Safety Signing on South East Freeway
- Median Wire Road-Dukes Highway
- Audio Tactile Line Marking
- Shoulder Sealing Program
- Road lighting improvements
- Variable speed limits

This followed an earlier announcement from the South Australian Government of a \$1.3 billion education capital works package, including:

- A new performing art building at Hamilton Secondary College
- Redevelopment of three buildings at Christies Beach High School
- 16 new learning areas at Wirreanda Secondary School
- Upgrades to multiple metropolitan primary schools including Greenwith, Elizabeth North, Ardtornish and Aldbinga Beach School



- Upgrades to regional schools including John Pirie Secondary School, Moonta Area School and Kingston Community School

On 8 May, the South Australian Government announced planning and construction on transport projects were being fast tracked, including:

- \$22 million package of works on the Ngarkat Highway
- Package of works on the Lincoln Highway
- \$15 million package on the Browns Well Highway
- \$6.5 million package of works on Cleve Road
- \$8.5 million package of works on the Sturt Highway
- \$7.8 million package of works on the South Eastern Freeway
- \$14 million for construction of road access upgrades for Thomas Foods International

In March, under the previously announced \$1 billion stimulus package, the South Australian Government, together with local councils, announced it would double the annual Planning and Development Fund to \$50 million to support local jobs.

## ACT

The ACT Government has accelerated infrastructure projects during the COVID-19 crisis, with the Chief Minister outlining “we are taking this opportunity to bringing forward projects which deliver much needed upgrades and maintenance to public spaces and community facilities.” The ACT Government has thus far announced \$9.75 million in works for:

- Upgrades and extensions to footpaths and cycleway networks
- New pedestrian crossings in Narrabundah and Belconnen, as well as the installation of traffic calming measures in Weston
- Improving facilities for staff at Transport Canberra depots
- Open Space landscaping improvements

The ACT Government has allocated \$365,000 for solar and sustainability upgrades to public and community housing in the territory, as part of its fast-tracked infrastructure projects. The work, including draughtproofing and the installation of rooftop solar, is designed to reduce the energy costs and consumption at the properties.

Chief Minister Andrew Barr has also announced \$13.9 million in funding for up to 20 infrastructure upgrades in Braddon and Dixon entertainment and dining strips. The City Renewal Authority has been commissioned to design the upgrades with work expected to commence in early 2021.

The ACT Government will expand the Fast Track program, focused on infrastructure and maintenance works that can begin immediately. Originally \$25 million, the \$35 million will be allocated to public and community facilities across the Territory.

## Northern Territory

On 22 June, the Federal and NT Governments jointly invested \$53 million to deliver shovel ready infrastructure projects and safety road upgrades. The funding will contribute to upgrades along major routes such as the Stuart, Barkly, Carpentaria and Victoria Highways and safety around remote intersections.



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- \$8.5 million package of works on the Sturt Highway
- Release of a tender for the design of a new art gallery at the State Square Precinct
- Release of a tender for design, development and construction of a community space in the Darwin CBD

## **Tasmania**

On 25 June, the Federal Government and Tasmanian Government announced a \$46 million joint investment will fund nine road projects across the state, including:

- Railton Main Road shoulder widening
- Road surfacing upgrades:
  - Bass Highway
  - Arthur Highway
  - West Tamar Highway
  - Channel Highway
  - Bell Bay Main Road
  - Bridport Main Road
- Richmond Road shoulder widening
- Pedestrian underpass on the Midland Highway at Campbell Town
- Bridge strengthening upgrades at Blythe River and Barossa Creek
- Electronic school zone signs
- Heavy vehicle rest areas
- Roadside barriers
- Huon Highway/Sandfly Road junction

In April, the Tasmanian Government announced a \$10 million School Revitalisation Maintenance Package to bring forward scheduled maintenance projects. The Government has thus far identified 280 maintenance projects across 125 sites.



On 4 June, the Tasmanian Government announced a two year construction “blitz” which the Government says is “to build our way out from the impacts of the COVID-19 pandemic”, aimed at the state’s health sector. Projects include:

- \$689 million Royal Hobart Hospital redevelopment
- \$6.5 million Kingston Health Centre
- \$12.1 million St Helens Hospital
- \$4.2 million Rehabilitation Ward at Mercy Community Hospital
- \$1.8 million Latrobe Ambulance Station facilities upgrade
- \$2.5 million Midlands Multi-Purpose Centre Upgrade.

