

# 7 INFRASTRUCTURE INVESTMENT

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## Features

- The planned level of Infrastructure Investment in 2006-07 is \$298.3 million, a decrease of \$2.0 million on 2005-06 investment of \$300.4 million.
- Excluding the Housing Program, the planned level of Infrastructure Investment has increased by \$23.1 million, from \$255.4 million in 2005-06 to \$278.5 million in 2006-07. The decrease in the Housing Program from \$44.9 million in 2005-06 to \$19.9 million in 2006-07 is primarily a result of the conclusion of a one-off capital funding program provided for the *Affordable Housing Strategy* and future support for this Strategy being in the form of recurrent funding.
- Infrastructure Investment includes a \$122.0 million Roads Program in 2006-07, an increase of \$27.4 million on the \$94.6 million 2005-06 program.
- In addition to the \$298.3 million in planned Infrastructure Investment in 2006-07, it is estimated that \$89.7 million will be spent by agencies on asset maintenance during 2006-07.
- In 2006-07, Infrastructure Investment expenditure includes \$45.3 million in capital works from the various Special Capital Investment Funds including the Economic and Social Infrastructure Fund, the Royal Hobart Hospital Redevelopment Fund and the Better Roads Fund.
- The Capital Investment Program (CIP) of agencies for 2006-07 is \$186.5 million, an increase of \$28.7 million on 2005-06. The increase in the program is attributable to the Government's 2006 Election commitments, which are in addition to increases associated with the State Government's commitment to maintain the CIP in real terms.
- In 2006-07, the CIP continues the emphasis on the maintenance and improvement of the State's existing asset stock through projects intended to sustain and enhance operational efficiencies and service delivery.

# INTRODUCTION

This Chapter provides detailed capital and maintenance information on the investment in the General Government Sector's assets such as buildings, infrastructure, plant and equipment and major information technology systems.

Whilst the majority of expenditure detailed in this Chapter is capital in nature, expenditure from the Works and Services appropriation that has been expensed, that is maintenance and low-value asset acquisitions or projects, is also included.

Individual project details are provided for 2006-07, 2007-08 and 2008-09 in Table 7.10.

**Table 7.1: Summary of Infrastructure Funding Sources and Expenditure**

	2005-06 Budget \$'000	2006-07 Budget \$'000
<b>Infrastructure Funding Sources<sup>1</sup></b>		
State Funding	171 353	182 276
Australian Government Funding	42 653	52 922
Other Funding Sources <sup>2</sup>	86 346	63 145
	<b>300 352</b>	<b>298 343</b>
<b>Infrastructure Expenditure<sup>3</sup></b>		
Building Works	128 559	85 809
Infrastructure Works	121 861	139 926
Plant, Equipment and Other Capital Expenditure	37 942	51 924
Other Expenditure from the CIP	11 990	20 684
	<b>300 352</b>	<b>298 343</b>

**Notes:**

1. Details of Infrastructure Funding Sources are provided in Table 7.2.
2. The decrease in Other Funding Sources reflects one-off Australian Government funding for the Tasmanian Community Forest Agreement in 2005-06 of \$14.0 million.
3. Details of Infrastructure Expenditure are provided in Table 7.3.

# INFRASTRUCTURE INVESTMENT FUNDING

Investment in Tasmania's public infrastructure assets is essential for the effective delivery of services to the community and promoting growth within the State. The major funding sources available to invest in the State's infrastructure include State funding from the Consolidated Fund, allocations from Special Capital Investment Funds and contributions from the Australian Government.

The State Government, on an annual basis, allocates the majority of funding for infrastructure investment from the Consolidated Fund. However, the State Government also makes significant contributions from its various Special Capital Investment Funds. In 2006-07, these Funds include the Economic and Social Infrastructure Fund (ESIF), the Royal Hobart Hospital Redevelopment Fund (RHHRF) and the Better Roads Fund (BRF).

Funding towards infrastructure investment is also received from the Australian Government for the Department of Education's capital projects, the Housing Program and the Roads Program.

In 2006-07, General Government Sector Infrastructure Investment is budgeted to be \$298.3 million. Table 7.2 details the funding sources for this investment in infrastructure.

Total maintenance expenditure is estimated to be \$117.8 million in 2006-07, an increase of \$45.1 million on the prior year. The increase of \$45.1 million is due in part to the review and reclassification of \$37.4 million of expenses to more accurately reflect the level of asset maintenance by agencies. The total expenditure in 2006-07 on maintenance includes \$89.7 million which agencies will spend on maintenance from their recurrent Budget allocation.



Table 7.2: Infrastructure Investment Funding

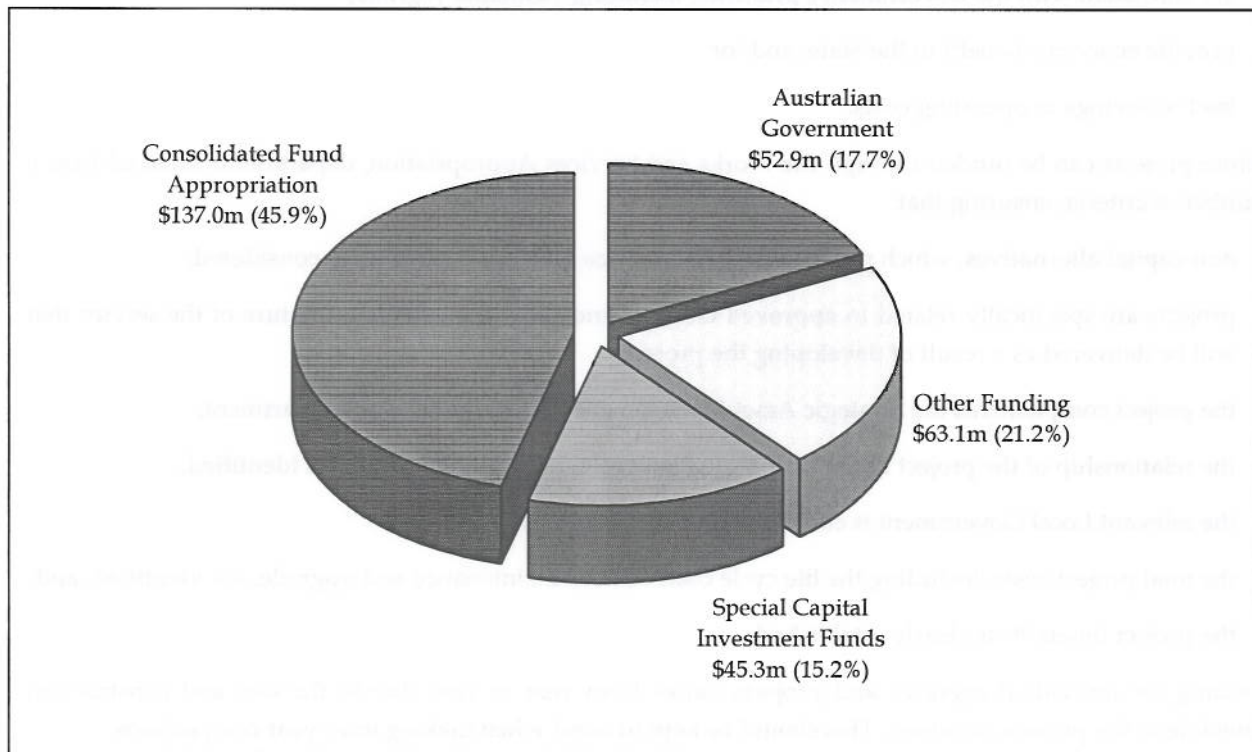
	2005-06	2006-07
	Budget	Budget
	\$'000	\$'000
<b>Infrastructure Investment Funding</b>		
<b>State Funding</b>		
Consolidated Fund Appropriation		
Recurrent Funding	6 241	3 329
Works and Services Funding <sup>1,2</sup>	115 157	133 621
<b>Total Consolidated Fund Appropriation</b>	<b>121 398</b>	<b>136 950</b>
<b>Special Capital Investment Funds<sup>3</sup></b>		
Better Roads Fund	6 050	6 897
Community Health and Well Being Fund	9 745	....
Economic and Social Infrastructure Funding	19 380	17 292
Royal Hobart Hospital Redevelopment Fund	5 000	17 169
Structural and Performance Initiatives Program	9 780	3 968
<b>Total Special Capital Investment Funds</b>	<b>49 955</b>	<b>45 326</b>
<b>Total State Funding</b>	<b>171 353</b>	<b>182 276</b>
<b>Australian Government Funding</b>		
Education	11 584	11 921
Housing Program	5 969	3 275
Roads Program	25 100	37 726
<b>Total Australian Government Funding</b>	<b>42 653</b>	<b>52 922</b>
<b>Other Funding</b>		
Balance brought forward <sup>4</sup>	34 663	22 449
Proceeds from Asset Sales	6 318	9 500
Other <sup>5</sup>	45 365	31 196
<b>Total Other Funding</b>	<b>86 346</b>	<b>63 145</b>
<b>Total Infrastructure Investment Funding</b>	<b>300 352</b>	<b>298 343</b>

## Notes:

1. Works and Services Funding represents the State funded component of the CIP Program. Further details on the CIP Program are provided in Table 7.9. The increase from \$115.2 million in 2005-06 to \$133.6 million in 2006-07 is due to funding for the Government's 2006 Election commitments and the Government's commitment to maintaining the State funded component of the Capital Investment Program in real terms. It should be noted that the Finance-General appropriation of \$21.3 million is not included in the Works and Services Funding of \$133.6 million. The Finance-General appropriation is a transfer of funds to the ESIF in 2006-07. Expenditure from the ESIF is reflected in the Special Capital Investment Funds Category.
2. CIP funding is the sum of Works and Services Funding and Total Australian Government Funding. Total CIP funding is \$186.5 million in 2006-07 and \$157.8 million in 2005-06. Details of the CIP by Agency are provided in Table 7.9.
3. Further details on other Special Capital Investment Funds are provided in Chapter 4 of Budget Paper No 2 *Operations of Government Departments 2006-07*.

4. The decrease in Balance brought forward reflects a decrease of \$12.2 million in Housing Program funds carried forward. Details of the Housing Program are provided in Table 7.5.
5. The decrease in Other funding reflects one-off Australian Government funding for the Tasmanian Community Forest Agreement in 2005-06 of \$14.0 million.

**Chart 7.1: Infrastructure Investment – Source of funds 2006-07<sup>1</sup>**



Note:

1. Total State funding consists of the Consolidated Fund Appropriation and the Special Capital Investment Funds and totals \$182.3 million.

## Consolidated Fund Appropriation

The Consolidated Fund Appropriation consists of funding for Recurrent Services, and funding for Works and Services. The total of the Consolidated Fund Appropriation towards infrastructure investment in 2006-07 is \$137.0 million, an increase of \$15.6 million above the 2005-06 Budget of \$121.4 million. The increased Consolidated Fund Appropriation reflects funding for the Government's 2006 Election commitments, and the commitment to maintaining the level of the State funded component of the CIP - Works and Services funding in real terms.

The majority of infrastructure investment from the Consolidated Fund Appropriation is through the Works and Services funding component. A minor amount of Recurrent Services funding supports agencies in making small capital acquisitions through their recurrent Budget allocations.

Works and Services funding is provided to meet the construction or purchase costs, and maintenance of, major capital assets such as roads, public housing, schools and hospitals. This funding provides a link between investment by the State Government in capital and maintenance projects and the strategic asset management plans of agencies. Notwithstanding the transfer of maintenance expenditure included within the CIP in prior years for building services maintenance, essential maintenance and property services to



agencies' recurrent allocations, the Consolidated Fund Works and Services appropriation has been maintained in real terms.

In framing the overall Works and Services funding, priority has been given to those projects which:

- meet essential community needs;
- are consistent with the Government's priorities, including *Tasmania Together*;
- provide economic benefit to the State; and/or
- lead to savings in operating costs.

Before projects can be funded through the Works and Services Appropriation, departments must address a number of criteria, ensuring that:

- non-capital alternatives, which produce the same service delivery outcome, are considered;
- projects are specifically related to approved Outputs and show the extent and nature of the service that will be delivered as a result of developing the project;
- the project complements the Strategic Asset Management Plan of the relevant department;
- the relationship of the project to the Corporate Plan of the relevant department is identified;
- the relevant Local Government is consulted on major projects;
- the total project costs, including the life cycle costs such as maintenance and upgrade, are identified; and
- the project timetable is clearly established.

Funding for individual agencies and projects varies from year to year due to the size and construction timetable of the projects involved. This should be kept in mind when making inter-year comparisons.

## Special Capital Investment Funds

In addition to the annual Consolidated Fund Appropriation, the State Government also provides significant funding from various Special Capital Investment Fund Accounts in the Special Deposits and Trust Fund. The Special Capital Investment Funds are currently a significant source of funding for infrastructure investment in the State, in addition to the annual Consolidated Fund Appropriation.

Total expenditure from the Special Capital Investment Funds consists of both capital and non-capital expenditure. Further details of which are provided in Chapter 4 of Budget Paper No 2 *Operations of Government Departments 2006-07*. This Chapter provides details of the capital component only of Special Capital Investment Fund expenditures.

In comparing levels of capital expenditure to non-capital expenditures, it should be noted that a significant amount of the non-capital expenditure from the Special Capital Investment Funds achieve capital investment outcomes for the State. This is due to capital grant and transfer payments from the fund being classified as non-capital expenditures for the General Government Sector. Examples of such projects include payments made to PowerCo Pty Ltd for the state-wide rollout of gas infrastructure, and payments made to Local Governments for developments such as sporting facilities.

Following is a description of each of the Special Capital Investment Funds that have 2006-07 projects with capital expenditure. Further details of the projects are provided in Table 7.10.

## *Economic and Social Infrastructure Fund*

One of the Government's key initiatives in 2003-04 was establishing the Economic and Social Infrastructure Fund (ESIF). The ESIF will continue to be a significant mechanism for advancing Government's key initiatives in 2006-07.

The major thrust of the ESIF includes projects assisting economic development and social infrastructure. Social infrastructure projects involve education, parks, heritage, health and housing throughout the State. Economic development projects relate to a range of infrastructure and developments including tourism related projects, the maintenance of the State's roads and bridges, and water infrastructure.

The estimated capital expenditure from the ESIF in 2006-07 is \$17.3 million. Non-capital expenditure from the ESIF is detailed in Chapter 4 of Budget Paper No 2 *Operations of Government Departments 2006-07*. Capital projects funded from the ESIF are included in Table 7.10.

## *Structural and Performance Initiatives Program*

The Structural and Performance Initiatives Program (SPIP) was established in the 1995-96 Budget to provide agencies with access to funds to achieve structural improvements, particularly those related to information technology developments, which have the potential to result in significant savings and/or provide for a more efficient allocation of resources.

Budgeted capital expenditure from the SPIP in 2006-07 is \$4.0 million. Capital projects funded from the SPIP are included in Table 7.10.

## *Royal Hobart Hospital Redevelopment Fund*

The \$35.0 million Royal Hobart Hospital (RHH) Redevelopment Fund was established in 2004-05 for the purpose of developing and enhancing facilities at the RHH.

In 2006-07, \$17.2 million will be expended on capital works. This will complete the construction of the Infill Building and fund capital works for the Department of Emergency Medicine at the RHH.

Further details on the RHH Redevelopment Fund are provided in Table 7.10 and Chapter 5 of Budget Paper No 2 *Operations of Government Departments 2006-07*.

## *Better Roads Fund*

The \$25 million Better Roads Fund was established in 2004-05 to supplement the Roads Program and ensure that high priority road infrastructure is developed and maintained throughout the State.

During 2006-07, \$6.9 million will be spent from the Better Roads Fund on infrastructure investment and \$4.5 million on infrastructure maintenance.

Further details of the Better Roads Fund are provided in Table 7.10, and in Chapter 7 of Budget Paper No 2 *Operations of Government Departments 2006-07*.

## Australian Government Funding

The Australian Government provides funding through Specific Purpose Payments and General Purpose Payments for capital related education projects, the Housing Program and the Roads Program. The total Australian Government funding in 2006-07 is \$52.9 million, an increase of \$10.2 million above the 2005-06 Budget of \$42.7 million. The increase in Australian Government funding is due to an increase in Roads Program funding of \$15.6 million, which has been offset by a decrease in funding for the Housing Program of \$4.0 million.

## Other Funding

Other Funding includes funds carried forward from 2005-06. This consists of proceeds from asset sales and capital expenditure from accounts in the Special Deposits and Trust Fund that will be applied to capital expenditure in 2006-07. The total Other Funding in 2006-07 is \$63.1 million, a decrease of \$23.2 million on the 2005-06 Budget of \$86.3 million. The decrease in Other Funding is primarily due to a reduction in the Housing Program's balance brought forward by \$12.2 million, and one-off funding of \$14.0 million in 2005-06 for the *Affordable Housing Strategy*.



# INFRASTRUCTURE INVESTMENT AND EXPENDITURE

Infrastructure expenditure by agencies provides for the development and maintenance of facilities for community use and public infrastructure to facilitate economic and social activity. In 2006-07, the total expenditure for infrastructure investment by agencies is estimated to be \$298.3 million, a decrease of \$2.0 million on the 2005-06 Budget estimate of \$300.4 million. Excluding the Housing Program, the planned level of Infrastructure Investment has increased by \$23.1 million, from \$255.4 million in 2005-06 to \$278.5 million in 2006-07. The decrease in the Housing Program from \$44.9 million in 2005-06 to \$19.9 million in 2006-07 is primarily a result of the conclusion of one-off capital funding provided for the *Affordable Housing Strategy*.

Expenditure by agencies on Infrastructure Investment is accompanied by the requirement that they update their agency specific Strategic Asset Management Plans (SAMP) every two years. This results in an alignment of assets with service delivery demands through detailed analyses of asset requirements before capital projects are commenced.

Table 7.3 provides a summary of the major infrastructure investment and expenditure by major asset classes.

Table 7.3: Infrastructure Investment and Expenditure<sup>1</sup>

	2005-06 Budget \$'000	2006-07 Budget \$'000
<b>Building Works</b>		
Housing Program <sup>2</sup>	44 926	19 875
Other Building Works <sup>3</sup>	83 633	65 934
<b>Total Building Works</b>	<b>128 559</b>	<b>85 809</b>
<b>Infrastructure Works</b>		
Roads Program <sup>4</sup>	94 616	122 034
Other Infrastructure Works <sup>5</sup>	27 245	17 892
<b>Total Infrastructure Works</b>	<b>121 861</b>	<b>139 926</b>
<b>Plant, Equipment and Other Capital Expenditure<sup>6</sup></b>	<b>37 942</b>	<b>51 924</b>
<b>Other Expenditure from the CIP<sup>7</sup></b>	<b>11 990</b>	<b>20 684</b>
<b>Total Infrastructure Investment and Expenditure</b>	<b>300 352</b>	<b>298 343</b>

Notes:

1. Projects funded through the CIP and Special Capital Investment Funds are detailed in Table 7.10. The Housing Program is detailed in Table 7.5, and the Roads Program detailed in Tables 7.7 and 7.8.

2. The decrease in the Housing Program reflects the conclusion in 2005-06 of one-off capital expenditure under the *Affordable Housing Strategy*. The Housing Program is further detailed in Table 7.5.
3. Building Works expenditure by agency is listed in Table 7.4.
4. Changes in Roads Program funding are detailed in the Infrastructure Works section of this Chapter.
5. The decrease in Other Infrastructure Works primarily reflects a one-off payment for \$14.0 million for the Tasmanian Community Forest Agreement in 2005-06.
6. The increase in Plant, Equipment and Other Capital expenditure reflects greater planned levels of plant and equipment purchases in 2006-07.
7. The increase in Other Expenditure from the CIP primarily reflects minor capital acquisitions that have been expensed under the Royal Hobart Hospital Capital project (\$5.3 million), expenses associated with the Hospital Information System project (\$2.1 million), and consultancy costs for the Mersey Community Hospital project (\$1.5 million).

# BUILDING WORKS

Building Works for 2006-07 is estimated to total \$85.8 million, a decrease of \$42.8 million or 33.3 per cent from the 2005-06 Budget of \$128.6 million.

The decrease in Building Works reflects the conclusion of one-off funding in 2005-06 of \$9.8 million under the Community Health and Well Being Fund; a decrease in the Housing Program of \$12.9 million due to a reduction in capital acquisitions; a \$10.2 million reduction in the Housing Program following the completion of the *Affordable Housing Strategy* capital expenditure in 2005-06; the imminent completion of building works associated with the prison redevelopment project; and completion of a number of school and health facility projects.

Table 7.4 details the expenditure for Building Works for each entity within the General Government Sector, detailing State and Australian Government funded components.

**Table 7.4: Building Works Expenditure by Agency**

Agency	2005-06 Budget			2006-07 Budget		
	Australian	State	Total	Australian	State	Total
	Government			Government		
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Economic Development	....	1 100	1 100	....	1 100	1 100
Education <sup>1</sup>	7 639	19 000	26 639	11 921	6 675	18 596
Health and Human Services						
Housing Program <sup>2</sup>	5 969	38 957	44 926	3 275	16 600	19 875
Other Building Works <sup>3</sup>	....	31 770	31 770	....	36 539	36 539
Infrastructure, Energy and						
Resources	....	140	140	....	....	....
Justice <sup>4</sup>	....	15 396	15 396	....	5 439	5 439
Police and Emergency Management	....	2 000	2 000	....	2 700	2 700
Primary Industries and Water <sup>5</sup>	....	3 435	3 435	....	....	....
Royal Tasmanian Botanical Gardens	....	388	388	....	206	206
State Fire Commission	....	1 400	1 400	....	1 000	1 000
Tourism, Arts and the Environment <sup>6</sup>	....	1 365	1 365	....	354	354
<b>TOTAL<sup>7</sup></b>	<b>13 608</b>	<b>114 951</b>	<b>128 559</b>	<b>15 196</b>	<b>70 613</b>	<b>85 809</b>

**Notes:**

1. The decrease in Education reflects the conclusion of one-off funding in 2005-06 of \$9.8 million under the Community Health and Well Being Fund.
2. The decrease in the Housing Program of \$25.1 million reflects a \$12.9 million reduction in capital acquisitions; \$10.2 million reduction following the completion of the *Affordable Housing Strategy* capital expenditure in 2005-06; and a \$2.2 million reduction in relation housing redevelopment/upgrading. Details of the Housing Program funding and expenditure are provided in Table 7.5.
3. The major components of the increase relate to State funded expenditure of \$12.2 million for the Royal Hobart Hospital (RHH) Redevelopment Fund, \$2.5 million for dental surgeries, \$3.3 million for the George Town District Hospital, and \$1.7 million for the Smithton District Hospital. Offsetting reductions in Building Works Expenditure



reflect budgeted project expenditure patterns and include Mental Services (\$1.5 million), West Coast District Hospital (\$1.6 million), RHH Stage 3 (\$7.1 million) and Scottsdale District Hospital (\$2.0 million).

4. The decrease in Justice reflects the imminent completion of building works in relation to the Risdon prison redevelopment. Further details are provided in the following section on Major Building Works Projects for 2006-07.
5. The decrease in Primary Industries and Water reflects the completion of building works associated with Crown Land Services' structural assets which occurred in 2005-06.
6. The decrease in Tourism, Arts and the Environment reflects the substantial completion of the Tasmanian Museum and Art Gallery security upgrade project.
7. A list of capital projects funded through the CIP and Special Capital Investment Funds is provided in Table 7.10.

## Major Building Works Projects for 2006-07

During 2006-07, the major new building project to be commenced is the \$30 million Kingston High School project. This project will be implemented over four years with \$3.0 million to be expended in 2006-07.

The major building projects that will continue during 2006-07 include the:

- Riverside High School - \$1.4 million is provided for redevelopment of general learning and performing arts areas;
- Southern Branch Support School and Inclusive Education Training Facility - \$2.8 million is provided for the establishment of a contemporary learning centre for students with disabilities and an inclusive education training facility;
- Launceston Northern Suburbs - \$1.5 million is provided for the provision of contemporary primary school facilities;
- Royal Hobart Hospital (RHH) - \$20.3 million is provided to complete construction of the Infill Building and fund the RHH Department of Emergency Medicine construction project;
- Smithton District Hospital - \$2.6 million is provided to redevelop and upgrade the Smithton District Hospital to contemporary standards, so as to allow community health services to be collocated;
- George Town District Hospital - \$3.5 million is provided for the redevelopment of 15 single room in-patient facilities, and the development of a general use treatment room and office accommodation for community nurses;
- Dental Surgeries - \$2.5 million is provided to construct an educational and clinical training facility, and the construction of dental surgeries in acute hospitals in the State's three regions for the treatment of complex dental care needs;
- Mental Health - \$2.6 million is provided in 2006-07 to develop a level 4 facility in the Northern Region (\$2 million), a level 3 facility in the North West (\$1.5 million) and general upgrades to Mental Health facilities. These projects will be completed in 2007-08;
- West Coast District Hospital Redevelopment - \$2.3 million is provided for the construction of a Community Health Centre in Queenstown, including residential aged and in-patient care services; and
- Prisons Infrastructure Redevelopment Program - during 2006-07, \$19.9 million is provided for the program, of which \$5.4 million relates to Building Works, \$13.6 million relates to financing payments and \$910 000 for consultants. A total of \$89.6 million will have been provided from the CIP over eight years for this significant Government project.

A comprehensive list of the new and continuing building projects for 2006-07, including total project costs, three-year expense profiles and estimated completion dates, is provided in Table 7.10.

## Housing Program

The Housing Program, as detailed in this Chapter, relates to the capital program of the Housing Tasmania Output Group under the Department of Health and Human Services.

The Housing Program aims to provide low income Tasmanians with access to sustainable, affordable, appropriate and secure housing options through the acquisition and/or construction of public housing dwellings, and the upgrading of existing public housing dwellings. The Program also allows for the sale to eligible applicants of properties and surplus land, with sale proceeds being reinvested into the capital program to continue the delivery of affordable housing. The Program is aimed at delivering a range of housing options that meet community needs and offer a range of opportunities that contribute to the capacity of families and individuals to participate in society and improve their quality of life.

The Australian and the State Governments jointly fund the 2006-07 Housing Program under the terms of the Commonwealth-State Housing Agreement (CSHA). Total funding for the program in 2006-07 is \$21.9 million, a decrease of \$23.0 million on the 2005-06 Budget of \$44.9 million. The decrease reflects the conclusion of one-off capital funding provided by the State, under the *Affordable Housing Strategy* (AHS). In future, the AHS will be funded through recurrent funding.

All capital projects funded under the AHS were concluded during 2005-06. The Program has been extremely successful, with original targets exceeded and all properties acquired or upgraded being available to clients in 2006-07.

Under the AHS, a total of \$80.0 million has been available for the housing capital program over the past two years. The Program has resulted in the acquisition of 357 new public housing properties, the upgrading of a further 330 properties, the replacement or upgrading of six disability group homes and the establishment of three new supported residential facilities. The delivery of these new affordable housing options has helped to reduce the public housing wait list by 12.5 per cent since February 2005.

Sales proceeds from the sale of properties to eligible applicants and the sale of surplus land will continue to be reinvested into the capital program. This will assist eligible applicants to purchase their own home and will also provide funds to the Housing Program to continue in the delivery of affordable housing. Proceeds from this source are estimated at \$9.5 million for 2006-07.

The 2006-07 Housing capital program will include the following specific works:

- completion of the Walford Terraces (the former Windsor Court) project in Hobart, which will result in the delivery of 53 units;
- the upgrading of properties to allow the installation of natural gas hot water units for many properties on the natural gas network;
- the construction of supported residential facilities for clients of Disability Services. Facilities are to be constructed in the south and north-west of the State;
- completion of a youth shelter in the north of the State;
- continuation of an upgrade program for crisis accommodation throughout the State; and



- a funding round under the Community Housing Program.

Details of the source and allocation of funds for the Housing Program for 2006-07 are shown in Table 7.5.

For more information on Housing Tasmania, and on the total of expenditure provided by the State Government to achieve Housing outcomes, refer to Chapter 5 of Budget Paper No 2 *Operations of Government Departments 2006-07*.

**Table 7.5: Housing Program Funding and Expenditure**

	2005-06 Budget \$'000	2006-07 Budget \$'000
<b>Housing Program Funding</b>		
Balance brought forward <sup>1</sup>	20 795	8 600
Commonwealth-State Housing Agreement Grant <sup>2</sup>	7 301	3 275
Economic and Social Infrastructure Fund <sup>3</sup>	10 200	....
Sale of Assets and Other Capital Receipts	6 318	9 500
Operating Revenue	312	500
<b>Total Housing program Funding</b>	<b>44 926</b>	<b>21 875</b>
<b>Housing Program Expenditure</b>		
Housing Redevelopment/Upgrading	5 941	3 747
Capital Acquisitions <sup>4</sup>	23 272	10 377
CSHA Loan Repayments	5 513	5 751
<i>Affordable Housing Strategy</i> (ESIF Capital Expenditure) <sup>3</sup>	10 200	....
<b>Total Housing program Expenditure</b>	<b>44 926</b>	<b>19 875</b>
<b>Funds to be Carried Forward<sup>5</sup></b>	<b>....</b>	<b>2 000</b>

**Notes:**

1. The reduction in Balance brought forward funds represents the completion of capital projects commenced in 2005-06 under the *Affordable Housing Strategy*. The 2006-07 Balance brought forward of \$8.6 million is fully committed against identified projects.
2. The decrease in the Commonwealth-State Housing Agreement Grant of \$4.0 million reflects the application of Australian Government funding against recurrent services rather than capital investment expenditures.
3. The Economic and Social Infrastructure Fund (ESIF) allocation in 2005-06 represented the final tranche of the \$30.0 million capital allocation by Government for Stage 1 of the *Affordable Housing Strategy*. Stage 1 concluded in December 2005, and these funds have been fully expended in delivering identified targets under the Strategy. The AHS will, in future, be supported by recurrent rather than capital funding.
4. The reduction in the level of capital acquisitions planned for 2006-07 reflects the completion of a large number of capital projects commenced under the *Affordable Housing Strategy*.
5. It is anticipated that funding of \$2.0 million will be carried forward into 2007-08.



# INFRASTRUCTURE WORKS

Infrastructure Works expenditure includes projects such as the construction, maintenance and upgrading of the State's roads and bridges, and construction of sewage treatment facilities in the State's national parks. Total Infrastructure Works is estimated to be \$139.9 million in 2006-07, an increase of \$18.0 million or 14.8 per cent above the 2005-06 Budget of \$121.9 million.

Table 7.6 summarises the expenditure for infrastructure works for each entity within the General Government Sector and includes the State and Australian Government components.

Table 7.6: Infrastructure Works Expenditure by Agency<sup>1</sup>

Agency	2005-06 Budget			2006-07 Budget		
	Australian		Total	Australian		Total
	Government	State		Government	State	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Finance-General <sup>2</sup>	....	16 742	16 742	....	5 864	5 864
Health and Human Services <sup>3</sup>	....	4 197	4 197	....	....	....
Infrastructure, Energy and Resources -						
Non-Roads	....	....	....	....	600	600
Infrastructure, Energy and Resources -						
Roads Program <sup>4</sup>	28 100	66 516	94 616	43 726	78 308	122 034
Marine and Safety Tasmania	....	850	850	....	796	796
Tourism, Arts and the Environment <sup>5</sup>	....	5 456	5 456	....	10 632	10 632
<b>TOTAL</b>	<b>28 100</b>	<b>93 761</b>	<b>121 861</b>	<b>43 726</b>	<b>96 200</b>	<b>139 926</b>

## Notes:

1. Details of Infrastructure projects are provided in Table 7.10.
2. The decrease in Finance-General reflects a one-off payment of \$14.0 million for the Tasmanian Community Forest Agreement in 2005-06, partially offset by an increase of \$3.0 million for the Optic Fibre project.
3. The decrease in Health and Human Services reflects the completion of the infrastructure components of a number of regional hospital projects including Scottsdale and West Coast District Hospital projects.
4. The increase in the Roads Program reflects additional funding in relation to the Government's 2006 Election commitments and funding from the Australian Government for the Bass Highway. Details of the increase in the Roads Program are provided in the following section, Major Infrastructure Works Projects for 2006-07, and further details of the 2006-07 Roads Program are provided in Table 7.8.
5. The increase in Tourism, Arts and the Environment reflects funding of \$6.7 million for the Cradle Mountain Central Sewerage Treatment project.

## Major Infrastructure Works Projects for 2006-07

During 2006-07, the major new Infrastructure Works projects to be undertaken relate to roads infrastructure projects. Details of these projects are provided under the Roads Program section below.

During 2006-07, the major continuing Non-Roads Infrastructure Works projects are:

- the Optic Fibre Project – \$5.9 million for optic fibre infrastructure and network for the State. A total of \$7.0 million is provided from the ESIF for this project;
- the Cradle Mountain Central Sewerage Treatment Project - \$6.7 million is provided for new sewage treatment infrastructure to support current and future tourism development at the site; and
- Tourism Infrastructure - \$1.5 million is provided for the support of key tourism infrastructure development across the State.

A list of the new and continuing infrastructure projects for 2006-07 is provided in Table 7.10.

## Roads Program

Both the State and Australian Governments fund the Roads Program. Forming part of the CIP, the Roads Program comprises new works projects and the upgrade and maintenance of established roads. In 2006-07, the Roads Program has increased by \$27.4 million, comprising \$12.0 million in increased State funding and \$15.6 million in Australian Government funding.

In 2006-07, the major components of the increase in State funding relate to:

- the Government's 2006 Election commitments (\$7.6 million);
- increased funding for Road and Safety Traffic Management (\$2.0 million);
- increased funding for Infrastructure Main Road Maintenance (\$8.6 million);
- Sisters Hill road improvements (\$1.5 million); and
- West Tamar Corridor road improvements (\$1.2 million).

The increases in State funding are partially offset by reductions for the following completed projects:

- West Tamar Highway Cormiston Creek to Legana Park Drive (\$5.0 million);
- Kingston Interchange (\$1.7 million); and
- Glen Huon Main Road (\$1.7 million).

In 2006-07, the major components of the increase in Australian Government funding relate to the following road improvement projects:

- Bridport Main Road (\$1.3 million);
- Sisters Hill (\$7.0 million);
- Tasman Highway Nunamara to Targa (\$1.5 million);
- East Tamar Highway (\$4.9 million);

- Hobart Northern Approaches (\$1.5 million); and
- Bass Highway – Penguin to Ulverstone Stage 2 (\$15.0 million) projects.

The increases in Australian Government funding are partially offset by reductions for the following completed projects:

- Bass Highway – Penguin to Ulverstone Stage 1 (\$10.3 million); and
- Bass Highway – Westbury/Hagley (\$3.6 million) projects.

A summary of funding is shown in Table 7.7 and detailed expenditure is presented in Table 7.8.



**Table 7.7: Roads Program Funding**

Category of Project	2005-06	2006-07
	Budget	Budget
	\$'000	\$'000
<b>STATE FUNDING</b>		
Consolidated Fund Appropriation		
Environmental Management	430	430
Infrastructure Development	13 537	12 450
Infrastructure Maintenance <sup>1</sup>	30 344	38 954
Infrastructure Policy and Planning	2 148	2 277
Program Management	2 930	3 523
Road Safety and Traffic Management	1 442	3 418
Transport Infrastructure	5 150	5 452
<b>Total Consolidated Fund Appropriation</b>	<b>55 981</b>	<b>66 504</b>
Special Capital Investment Funds		
Better Roads Fund	6 050	6 897
Economic and Social Infrastructure Fund	4 485	4 907
<b>Total Special Capital Investment Funds</b>	<b>10 535</b>	<b>11 804</b>
<b>Total State Funds</b>	<b>66 516</b>	<b>78 308</b>
<b>AUSTRALIAN GOVERNMENT FUNDING</b>		
Environmental Management	150	...
Infrastructure Development <sup>2</sup>	16 884	34 041
Infrastructure Maintenance	5 700	5 536
Program Management	1 450	1 319
Road Safety and Traffic Management	3 166	2 046
Transport Infrastructure	750	784
<b>Total Australian Government Funds</b>	<b>28 100</b>	<b>43 726</b>
<b>TOTAL ROAD PROGRAM FUNDING</b>	<b>94 616</b>	<b>122 034</b>

**Notes:**

1. The increase in Infrastructure Maintenance of \$8.5 million reflects additional funding for Road Reinstatement projects including Esk Main Road - Rostrevor Rivulet to Tullochgorum Creek (\$3.2 million) and Murchison Highway - Que River to Waratah (\$1.9 million); Road Routine Maintenance (\$1.1 million); and Road Specific Maintenance (\$1.2 million). For further details on Road Maintenance are provided in Table 7.8.
2. The increase in Australian Government funding for Infrastructure Development includes funding for Sisters Hill (\$7.0 million), East Tamar Highway (\$4.9 million) and the Bass Highway (\$15 million). Details of projects for 2006-07 are provided in Table 7.8.

Table 7.8: Roads Program Expenditure

Project	Estimated Total Cost \$'000	2006-07 Estimate \$'000
STATE FUNDED PROJECTS - CONSOLIDATED FUND		
ENVIRONMENTAL MANAGEMENT		
Soil and Water Quality, Biodiversity, Community and Heritage	430	430
INFRASTRUCTURE DEVELOPMENT		
Brooker Highway - Project Hahn	1 000	1 000
Brooker Highway - Stage 1 Works	10 000	500
Central Highlands - Improving Access to Lagoons	250	250
East Tamar Highway - Approaches to Launceston	8 300	3 000
Kingston Bypass	33 500	500
Lyell Hwy - Granton to New Norfolk	14 000	1 000
South Arm Road - Shoreline to Police Academy	10 000	500
Southern Outlet - Macquarie St Traffic Flow	1 500	200
Tasman Highway - Mornington Signalisation	1 600	200
Tasman Highway - Nunamara to Targa	2 700	200
Tasman Highway - Sorell Traffic Management	2 500	200
Bridge Upgrading	225	225
Rail Infrastructure	175	175
Roads of National Importance		
North East Tasmania Access (NETAS)	20 000	4 000
Road Upgrading		
Entrance to Devonport	2 500	500
		12 450
INFRASTRUCTURE MAINTENANCE		
Assistance to Local Government	168	168
Bass Highway - Cutting Road to Oppenheim Road	850	850
Bridge Maintenance	4 628	4 628
Bridge Reinstatement		
West Tamar Highway - Supply River Bridges <sup>1</sup>	2 988	574
Other	608	261

Note:

1. The West Tamar Highway - Supply River Bridges project receives additional funding from the Economic and Social Infrastructure Fund project - Roads and Bridge Maintenance.

Table 7.8: Roads Program Expenditure (continued)

Project	Estimated Total Cost	2006-07 Estimate
	\$'000	\$'000
Maintenance of Other Infrastructure	85	85
Vehicle Mass and Dimension Management	101	101
Emergency and Flood Repairs	355	355
Miscellaneous Fees/Charges	537	537
Road Reinstatement		
Esk Main Road - Leona Road to Ormley Culvert	4 289	337
Esk Main Road - Rostrevor Rivulet to Tullochgorum Creek	4 725	3 213
Murchison Highway - Que River to Waratah	5 663	1 928
Poatina Main Road - Through Cressy Township	460	460
Other	539	539
Road Routine Maintenance	18 639	18 639
Road Specific Maintenance	6 279	6 279
		38 954
INFRASTRUCTURE POLICY AND PLANNING	2 277	2 277
PROGRAM MANAGEMENT		
Corporate Management	2 281	2 281
Management Systems	1 102	1 102
Provision for Third Party Claims	140	140
		3 523
ROAD SAFETY AND TRAFFIC MANAGEMENT		
Blackspot Contribution	19	19
Public Transport Facilities	20	20
Safer Roads	2 150	2 150
Tourism Infrastructure	400	400
Traffic Management Works	779	779
Vulnerable Road Users	50	50
		3 418
TRANSPORT INFRASTRUCTURE	5 452	5 452
TOTAL CONSOLIDATED FUND APPROPRIATION		66 504



Table 7.8: Roads Program Expenditure (continued)

Project	Estimated Total Cost	2006-07 Estimate
	\$'000	\$'000
<b>SPECIAL CAPITAL INVESTMENT FUNDS</b>		
<b>BETTER ROADS FUND (Capital Expenditure)<sup>1</sup></b>		
Bridport Main Road <sup>2</sup>	908	847
Sisters Hills <sup>2</sup>	9 075	4 447
West Tamar Corridor <sup>2</sup>	3 116	1 603
		6 897
<b>ECONOMIC AND SOCIAL INFRASTRUCTURE FUND (Capital Expenditure)<sup>3</sup></b>		
Road and Bridge Maintenance <sup>3</sup>	11 643	4 907
<b>TOTAL SPECIAL CAPITAL INVESTMENT FUNDING</b>		11 804
<b>TOTAL STATE FUNDED EXPENDITURE</b>		78 308
<b>NATIONAL HIGHWAY SYSTEM</b>		
<b>INFRASTRUCTURE DEVELOPMENT</b>		
Improving the Network		
East Tamar Highway	60 000	4 937
Road and Bridge Upgrading		
Hobart Northern Approaches Project	30 000	2 000
Bass Highway – Penguin to Ulverstone Stage 2	42 000	16 684
Roads of National Importance		
North East Tasmania Access (NETAS)	20 000	690
Strategic Regional Program		
Bridport Main Road	3 000	1 260
Sisters Hill	30 000	6 970
Tasman Highway Nunamara to Targa	4 200	1 500
		34 041

Notes:

1. The capital and non-capital expenditure from the Better Roads Fund in 2006-07 is \$11.4 million. Of that expenditure, \$6.9 million represents the capital component. The Better Roads Fund is further detailed in Chapter 4 of Budget Paper No 2, *Operations of Government Departments 2006-07*.
2. Figures provided for Estimated Total Cost are for the capital expenditure component of each project. In the 2005-06 Budget Papers, the Total Estimated Cost figures presented for the Better Roads Fund and the Economic and Social Infrastructure Fund included both capital and recurrent expenditures.
3. Estimated capital and non-capital expenditure from the Economic and Social Infrastructure Fund is \$7.6 million. Of that expenditure, \$4.9 million represents the capital component. Further details on the ESIF expenditure is provided in Chapter 4 of Budget Paper No 2, *Operations of Government Departments 2006-07*.

Table 7.8: Roads Program Expenditure (continued)

Project	Estimated Total Cost	2005-06 Estimate
	\$'000	\$'000
<b>INFRASTRUCTURE MAINTENANCE</b>		
Bridge Maintenance	744	744
Miscellaneous Fees/Charges	140	140
Road Reinstatement	964	964
Road Routine Maintenance	2 974	2 974
Road Specific Maintenance	714	714
		<u>5 536</u>
<b>PROGRAM MANAGEMENT</b>		
Corporate Management	1 019	1 019
Management Systems	300	300
		<u>1 319</u>
<b>ROAD SAFETY AND TRAFFIC MANAGEMENT</b>		
Blackspot Contribution	2 046	2 046
<b>TRANSPORT INFRASTRUCTURE</b>	784	784
<b>TOTAL NATIONAL HIGHWAY SYSTEM EXPENDITURE</b>		<u>43 726</u>
<b>TOTAL ROADS PROGRAM EXPENDITURE</b>		<u>122 034</u>

# PLANT, EQUIPMENT AND OTHER CAPITAL EXPENDITURE

Plant, Equipment and Other Capital Expenditure includes expenditure such as general plant and equipment purchases and information systems development costs. Total expenditure on Plant, Equipment and Other Capital Expenditure is estimated to be \$51.9 million in 2006-07, an increase of \$14.0 million above the 2005-06 Budget of \$37.9 million.

## Major Plant, Equipment and Other Capital Expenditure Projects for 2006-07

During 2006-07, major Plant, Equipment and Other Capital Expenditure projects to be undertaken include:

- Health and Human Services – \$19.2 million for hospital equipment, new ambulances and information systems upgrades. Further details of this expenditure is provided in Table 7.10;
- TAFE Tasmania – \$6.9 million for general plant and equipment upgrades;
- State Fire Commission – \$5.2 million for plant and equipment upgrades including the purchase of vehicles and the continuation of the fire appliance replacement program with the fabrication of 15 heavy tankers;
- Fleet Management Services – \$13.9 million for the purchase of motor vehicle assets; and
- Motor Registry System Project – \$4.0 million in 2006-07 from the Structural and Performance Initiatives Program for the redevelopment of the State's motor registry system. A total of \$16.1 million has been provided for the project. It is anticipated that the project will be completed in 2008-09.

## MAINTENANCE EXPENDITURE

A total of \$117.8 million is expected to be spent on maintenance in 2006-07, an increase of \$45.1 million on 2005-06 expenditure of \$72.7 million.

The increase of \$45.1 million is due in part to the review and reclassification of \$37.4 million of expenses to more accurately reflect the level of asset maintenance by agencies.

The total expenditure in 2006-07 on maintenance includes \$89.7 million, which agencies will spend on maintenance from their recurrent Budget allocation.



# CAPITAL INVESTMENT PROGRAM

Table 7.9 provides a comparison by agency of the 2005-06 and 2006-07 Capital Investment Program (CIP).

This table only includes the Consolidated Fund Appropriation and excludes the effect of balances brought forward and expenditure from accounts in the Special Deposits and Trust Fund.

**Table 7.9: Capital Investment Program by Agency<sup>1</sup>**

Agency	2005-06 Budget			2006-07 Budget		
	Australian		Total	Australian		Total
	Government	State		Government	State	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Economic Development	....	1 100	1 100	....	....	....
Education	11 584	10 791	22 375	11 921	6 675	18 596
Finance-General <sup>1</sup>	....	....	....	....	21 325	21 325
Health and Human Services						
Housing Program	5 969	1 332	7 301	3 275	....	3 275
Other CIP Projects	....	16 587	16 587	....	28 698	28 698
Infrastructure, Energy and Resources						
Roads Program	25 100	55 571	80 671	37 726	66 094	103 820
Other CIP Projects	....	850	850	....	600	600
Justice	....	15 896	15 896	....	19 904	19 904
Office of the Governor	....	....	....	....	....	....
Police and Emergency Management	....	2 500	2 500	....	700	700
Premier and Cabinet	....	351	351	....	500	500
Primary Industries and Water	....	4 929	4 929	....	1 147	1 147
Tourism, Arts and the Environment	....	5 250	5 250	....	9 303	9 303
<b>TOTAL<sup>2,3</sup></b>	<b>42 653</b>	<b>115 157</b>	<b>157 810</b>	<b>52 922</b>	<b>154 946</b>	<b>207 868</b>

Notes:

1. The Finance-General appropriation of \$21.3 million reflects the transfer of funds to the Economic and Social Infrastructure Fund (ESIF) in 2006-07. It should be noted that the Finance-General appropriation of \$21.3 million is not included in the Works and Services Funding of \$133.6 million in Table 7.2. That amount is a transfer of funds to the ESIF in 2006-07. Expenditure from the ESIF is reflected in the Special Capital Investment Funds Category in Table 7.2.
2. The increased CIP of \$250.1 million from \$157.8 million in 2005-06 to \$207.9 million in 2006-07, reflects the Government's 2006 Election commitments - roads and jetties \$9.0 million, Royal Hobart and Mersey Community Hospitals \$12.8 million, new ambulances \$2.4 million; and the Government's commitment of maintaining the State funded component of the CIP in real terms. Details of Housing Program projects are provided in Table 7.5 and details of Roads Program Projects are provided in Table 7.8. All other projects are detailed in Table 7.10.
3. The 2006-07 total of \$207.9 million must be adjusted for the Finance-General appropriation of \$21.3 million to reconcile with the Works and Services Funding item presented in Table 7.2. The adjustment accounts for the transfer of funds to the ESIF in 2006-07. Aside from this adjustment, the totals shown in this table are reflected in the Works and Services Funding and Australian Government Funding items detailed in Table 7.2.

# INFRASTRUCTURE INVESTMENT PROJECT DETAILS

Table 7.10 details the estimated cost of individual Infrastructure Investment Projects. The Roads Program and the Housing Program are shown separately in Tables 7.8 and 7.5 respectively. Costs will vary as projects proceed to tender and some re-scheduling of individual projects is likely to occur during the year. This may allow some expenditure to occur against projects which are programmed to go to tender late in the financial year and for which funds are not currently provided in 2006-07.

Table 7.10: Infrastructure Investment Project Details

	Funding Source	Estimated Total Cost \$'000	2006-07 Estimate \$'000	2007-08 Estimate \$'000	2008-09 Estimate \$'000
DEPARTMENT OF ECONOMIC DEVELOPMENT					
<i>Wirksworth Refurbishment</i>	CIP	1 100	1 100	....	....
Completion Date: May 2007					
Funding is provided for the refurbishment of the Wirksworth heritage building.					
TOTAL			1 100	....	....
DEPARTMENT OF EDUCATION					
<i>Bridgewater High School</i>	CIP	1 557	477	....	....
Completion Date: October 2006					
Funding is provided for the redevelopment of general learning areas.					
<i>Claremont Young Mothers Program</i>	CIP	300	300	....	....
Completion Date: June 2007					
This 2006 Election commitment provides for the redevelopment of facilities at Claremont College to meet the needs of the Young Mothers' Program.					
<i>Forth Primary School</i>	CIP	636	376	....	....
Completion Date: March 2007					
Funding is provided for the construction of a new multi-purpose room.					
<i>Glen Dhu Primary School</i>	CIP	1 231	....	381	850
Completion Date: February 2009					
Funding is provided for the redevelopment of general learning areas.					

Table 7.10: Infrastructure Investment Project Details (continued)

	Funding Source	Estimated Total Cost \$'000	2006-07 Estimate \$'000	2007-08 Estimate \$'000	2008-09 Estimate \$'000
<i>Kingston Education Infrastructure Initiative</i> Completion Date: June 2010 This 2006 Election commitment provides for the establishment of a new high school in Kingston catering for a total of 750 students in Years 7 to 10.	CIP	30 000	3 000	8 000	12 000
<i>Lansdowne Crescent Primary School</i> Completion Date: June 2007 Funding is provided for phase one of a redevelopment of general learning areas and to meet the Government's 2006 Election commitment of reducing class sizes in primary schools.	CIP	250	250	....	....
<i>Launceston Northern Suburbs</i> Completion Date: June 2008 Funding is provided for the provision of contemporary primary school facilities.	CIP	6 064	1 462	4 411	....
<i>Montagu Bay Primary School</i> Completion Date: December 2006 Funding is provided for the redevelopment of general learning areas for early learning.	CIP	707	297	....	....
<i>Mount Stuart Primary School</i> Completion Date: June 2007 Funding is provided for phase one of a redevelopment of general learning areas and to meet the Government's 2006 Election commitment of reducing class sizes in primary schools.	CIP	283	283	....	....
<i>North West Support School and Inclusive Education Training Facility</i> Completion Date: February 2007 Funding is provided for the establishment of a contemporary learning centre for students with disabilities and an inclusive education training facility.	CIP	1 500	949	....	....



Table 7.10: Infrastructure Investment Project Details (continued)

	Funding Source	Estimated Total Cost \$'000	2006-07 Estimate \$'000	2007-08 Estimate \$'000	2008-09 Estimate \$'000
<i>Norwood Primary School</i>	CIP	450	450	....	....
Completion Date: June 2007					
Funding is provided for the redevelopment of general learning areas and the construction of an additional general learning area to meet the Government's 2006 Election commitment of reducing class sizes in primary schools.					
<i>Reducing Class Sizes from Years 2 to 7</i>	CIP	1 800	....	450	450
Completion Date: June 2011					
This 2006 Election commitment provides for the construction or redevelopment of three new classrooms per year in schools that demonstrate accommodation pressure associated with reduced class sizes. This represents the finalisation of this strategy after the incorporation of classrooms into projects separately identified for 2006-07 at Norwood Primary, Lansdowne Crescent Primary and Mt Stuart Primary.					
<i>Riverside High School</i>	CIP	2 595	1 395	....	....
Completion Date: June 2007					
Funding is provided for the redevelopment of general learning and performing arts areas.					
<i>Rokeby High School</i>	CIP	1 041	520	210	....
Completion Date: June 2008					
Funding is provided for the redevelopment of general learning and performing arts areas.					
<i>Scottsdale High School</i>	CIP	1 638	774	....	....
Completion Date: June 2007					
Funding is provided for structural upgrades and the redevelopment of general learning areas.					
<i>Sorell School</i>	CIP	1 200	600	....	....
Completion Date: January 2007					
Funding is provided for the redevelopment of general learning areas for primary students.					

Table 7.10: Infrastructure Investment Project Details (continued)

	Funding Source	Estimated Total Cost \$'000	2006-07 Estimate \$'000	2007-08 Estimate \$'000	2008-09 Estimate \$'000
<i>Southern Branch Support School and Inclusive Education Training Facility</i>	CIP	3 108	2 808	....	....
Completion Date: June 2007					
Funding is provided for the establishment of a contemporary learning centre for students with disabilities and an inclusive education training facility.					
<i>Supporting School Farms</i>	CIP	300	100	100	100
Completion Date: June 2009					
This 2006 Election commitment provides for improvements to school farm infrastructure.					
<i>TAFE Tasmania - Alanvale Campus</i>	CIP	1 900	385	1 515	....
Completion Date: June 2008					
Funding is provided for the redevelopment of the Natural Resources areas.					
<i>TAFE Tasmania - Alanvale Campus</i>	CIP	1 500	1 500	....	....
Completion Date: June 2007					
Funding is provided for the redevelopment of the Metals and Engineering areas.					
<i>TAFE Tasmania - Claremont Centre</i>	CIP	1 500	760	....	....
Completion Date: June 2007					
Funding is provided for the redevelopment of infrastructure and service upgrades to meet OH&S requirements.					
<i>TAFE Tasmania - Hobart Campus</i>	CIP	1 510	150	....	....
Completion Date: August 2006					
Funding is provided for the development of flexible delivery areas.					
<i>TAFE Tasmania - Hobart Campus</i>	CIP	1 085	....	1 085	....
Completion Date: June 2008					
Funding is provided for the redevelopment of the Hunter Building at the Bathurst Street Centre.					

Table 7.10: Infrastructure Investment Project Details (continued)

	Funding Source	Estimated Total Cost \$'000	2006-07 Estimate \$'000	2007-08 Estimate \$'000	2008-09 Estimate \$'000
<i>TAFE Tasmania – Infrastructure Support</i>					
Completion Date: Ongoing		CIP	Ongoing	850	850
Funding is provided for general infrastructure support and delivery of vocational education and training.					
<i>TAFE – IT Infrastructure – Multisites (Stage 1)</i>					
Completion Date: June 2007		CIP	500	500	....
Funding is provided for the development of Information Technology infrastructure.					
<i>TAFE – IT Infrastructure – Multisites (Stage 2)</i>					
Completion Date: June 2008		CIP	550	....	550
Funding is provided for the development of Information Technology infrastructure.					
<i>TAFE – State-wide – Multisites</i>					
Completion Date: June 2008		CIP	420	....	420
Funding is provided for multisite infrastructure upgrades.					
<i>Yolla District High School</i>					
Completion Date: December 2006		CIP	1 090	410	....
Funding is provided for the redevelopment of general learning areas in the early childhood block.					
TOTAL			18 596	17 972	14 250
FINANCE-GENERAL					
<i>Telecommunications Project</i>					
Completion Date: June 2007		ESIF	7 025	5 864	....
Funding is provided for the continued advancement of the Telecommunications Project. Of this, \$4.0 million has been set aside for funding the extension of the optic fibre cable into Burnie, Devonport, Launceston and Hobart.					
TOTAL			5 864	....	....



Table 7.10: Infrastructure Investment Project Details (continued)

	Funding Source	Estimated Total Cost \$'000	2006-07 Estimate \$'000	2007-08 Estimate \$'000	2008-09 Estimate \$'000
<b>DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>					
<i>Dental Surgeries</i>	CIP	2 500	2 500	....	....
Completion Date: June 2007					
This 2006 Election commitment provides for the construction of an educational and clinical training facility, and the construction of dental surgeries in acute hospitals in the State's three regions for the treatment of complex dental care needs.					
<i>George Town District Hospital</i>	CIP	6 100	3 495	1 200	....
Completion Date: October 2007					
Funding is provided for the redevelopment of 15 single room in-patient facilities, and the development of a general use treatment room and office accommodation for community nurses.					
<i>Hospital Equipment Fund</i>	ESIF	25 000	5 000	5 000	5 000
Completion Date: June 2011					
This 2006 Election commitment provides \$25 million to purchase equipment at the State's major public hospitals. Commitments have been made for three linear accelerators, a holium laser, two mammography diagnostic units, an echo machine, urology equipment and orthopaedic equipment. Remaining funds will be used to purchase high need medical equipment.					
<i>Hospital Information System</i>	CIP	6 500	4 911	....	....
Completion Date: June 2007					
Funding is provided to replace the existing computer systems in the Royal Hobart Hospital, Launceston General Hospital and North West Regional Hospital with a new single, State-wide patient information system.					

Table 7.10: Infrastructure Investment Project Details (continued)

	Funding Source	Estimated Total Cost \$'000	2006-07 Estimate \$'000	2007-08 Estimate \$'000	2008-09 Estimate \$'000
<i>Launceston General Hospital Emergency Department</i> Completion Date: June 2010 This 2006 Election commitment provides for the redevelopment of the Department of Emergency Medicine, including the increase of available floor space, creation of a short stay observation ward and a separate triage area.	CIP	12 000	....	1 000	4 000
<i>May Shaw Health Centre</i> Completion Date: October 2006 Funding is provided to redevelop May Shaw Health Centre, general practice and acute care area located at Swansea.	CIP	807	768	....	....
<i>Mental Health Review</i> Completion Date: December 2007 The capital funding under Bridging The Gap will be used to develop a level 4 facility in the Northern Region (\$2 million), a level 3 facility in the North West (\$1.5 million) and general upgrades to Mental Health facilities.	CIP	4 360	2 600	100	....
<i>Mersey Community Hospital Capital</i> Completion Date: June 2009 This 2006 Election commitment provides for the relocation of the Intensive Care Unit and Oncology, and the upgrading of Theatre Recovery and the Department of Emergency Medicine at the Mersey Campus of the North West Regional Hospital.	CIP	5 000	1 500	1 750	1 750
<i>Mersey Rescue Review</i> Completion Date: September 2006 Funding is provided for the improvement of the Mersey Community Hospital and improved ambulance services on the North West Coast.	CIP	1 190	562	....	....

Table 7.10: Infrastructure Investment Project Details (continued)

	Funding Source	Estimated Total Cost \$'000	2006-07 Estimate \$'000	2007-08 Estimate \$'000	2008-09 Estimate \$'000
<i>New Ambulances</i>	CIP	10 670	2 370	3 370	2 930
Completion Date: June 2010					
This 2006 Election commitment provides for the purchase of 100 new ambulances to replace those that have reached the end of their economic lives. This funding will ensure that virtually the entire ambulance fleet will be upgraded during the next four years.					
<i>RHH Capital</i>	CIP	13 200	11 290	....	1 910
Completion Date: June 2009					
This 2006 Election commitment provides for the purchase of equipment for the new Department of Emergency Medicine, Neonatal/Paediatric Intensive Care Unit, Operating Theatres and equipment and building works for the State-wide Paediatric Enhancement initiative.					
<i>RHH Redevelopment Stage 3</i>	CIP	15 382	3 100	....	....
Completion Date: February 2007					
Funding is provided to construct a new Department of Emergency Medicine.					
<i>Royal Hobart Hospital Redevelopment Fund</i>	RHHRF	35 000	17 169	....	10 760
Completion Date: June 2009					
This fund was established for the redevelopment of the RHH. In 2006-07, \$17.2 million will be provided to complete construction of the Infill Building and fund the RHH Department of Emergency Medicine construction project.					
<i>Scottsdale District Hospital</i>	CIP	3 674	500	....	....
Completion Date: October 2006					
Funding is provided for the redevelopment of the Hospital to provide a combined hospital/community health services site for the North East District.					



Table 7.10: Infrastructure Investment Project Details (continued)

	Funding Source	Estimated Total Cost \$'000	2006-07 Estimate \$'000	2007-08 Estimate \$'000	2008-09 Estimate \$'000
<i>Smithton District Hospital</i>					
Completion Date: December 2007					
Funding is provided to redevelop and upgrade the Smithton District Hospital to contemporary standards, to allow community health services to be collocated to meet the growing community need.					
	CIP	5 028	2 628	2 160	....
<i>West Coast District Hospital Redevelopment</i>					
Completion Date: November 2006					
Funding is provided for the construction of a Community Health Centre in Queenstown, including residential aged and in-patient care services.					
	CIP	7 500	2 300	....	....
TOTAL			60 693	14 580	26 350
DEPARTMENT OF INFRASTRUCTURE, ENERGY AND RESOURCES					
<i>Jetties</i>					
Completion Date: June 2011					
This 2006 Election Commitment provides for the maintenance or improvement of State-wide jetty infrastructure including Opossum Bay, Swansea, Kettering, Nubeena, and Pirates Bay.					
	CIP	5 000	600	500	2 000
<i>Motor Registry Project</i>					
Completion Date: June 2009					
Funding is provided for the redevelopment of the State-wide Motor Registry System to better meet current and future business needs, and for integration with a national system.					
	SPIP	16 100	3 968	4 872	1 562
TOTAL			4 568	5 372	3 562

Table 7.10: Infrastructure Investment Project Details (continued)

	Funding Source	Estimated Total Cost \$'000	2006-07 Estimate \$'000	2007-08 Estimate \$'000	2008-09 Estimate \$'000
DEPARTMENT OF JUSTICE					
<i>Prisons Infrastructure Redevelopment Program</i>	CIP	89 623	19 904	9 242	11 396
Completion Date: September 2006					
Funding is provided for the construction of new correctional facilities at the Risdon Prison. Cash flows beyond the completion date represent finance repayments.					
TOTAL			19 904	9 242	11 396
DEPARTMENT OF POLICE AND EMERGENCY MANAGEMENT					
<i>Launceston Police Station</i>	CIP	2 200	1 300	....	....
Completion Date: June 2007					
Funding is provided for the refurbishment of the Launceston Police Head quarters.					
<i>Refurbishment of the Forensic Science Services Tasmania</i>	CIP	1 500	1 400	....	....
Completion Date: June 2007					
Funding is provided for alterations to the St John's Park analytical laboratory.					
TOTAL			2 700	....	....
DEPARTMENT OF PREMIER AND CABINET					
<i>Service Tasmania Shops Capital Investment</i>	CIP	800	500	300	....
Completion Date: June 2008					
This 2006 Election commitment provides for the establishment of a new one-stop <i>Service Tasmania</i> shop in Kingston.					

Table 7.10: Infrastructure Investment Project Details (continued)

	Funding Source	Estimated Total Cost	2006-07 Estimate	2007-08 Estimate	2008-09 Estimate
		\$'000	\$'000	\$'000	\$'000
<i>Tasmanian Community Forest Agreement</i>	CIP	6 000	....	2 000	2 000
Completion Date: June 2010					
Funding is provided for the advancement of programs set out in the Tasmanian Community Forest Agreement, which was entered into by the Australian and Tasmanian Governments in May 2006.					
TOTAL			500	2 300	2 000
DEPARTMENT OF PRIMARY INDUSTRIES AND WATER					
<i>Agricultural Research Centres</i>	CIP	2 000	500	500	500
Completion Date: June 2010					
This 2006 Election commitment provides for the upgrade of facilities at the proposed agricultural research centres at Forthside and Elliot.					
<i>Crown Land Services - Structural Asset Upgrades</i>	CIP	Ongoing	1 951	643	556
Completion Date: Ongoing					
Funding is provided for the removal or remediation of physical structures that present public liability risks; statutory maintenance; and essential and preventative maintenance to buildings.					
<i>Relocation and upgrade of specialist facilities to support biosecurity Tasmania initiative</i>	CIP	835	600	....	....
Completion Date: June 2007					
Funding is provided to undertake works to meet compliance with safety standards.					
TOTAL			3 051	1 143	1 056



Table 7.10: Infrastructure Investment Project Details (continued)

	Funding Source	Estimated Total Cost \$'000	2006-07 Estimate \$'000	2007-08 Estimate \$'000	2008-09 Estimate \$'000
<b>DEPARTMENT OF TOURISM, ARTS AND THE ENVIRONMENT</b>					
<i>Air Quality Monitoring</i>	CIP	1 741	1 475	....	....
Completion Date: June 2007					
Funding has been provided for a major ambient monitoring station at Bell Bay, and a number of smaller monitoring stations. Continuing recurrent funding is provided for the maintenance of equipment in accordance with the Tasmanian Air Monitoring Plan.					
<i>Cradle Mountain Sewage Treatment</i>	CIP	7 684	6 724	....	....
Completion Date: June 2007					
Funding is provided for new sewage treatment infrastructure to support current and future tourism development at the site.					
<i>Cradle Mt Park Visitor Infrastructure</i>	CIP	750	750	....	....
Completion Date: June 2007					
Funding is provided for enhanced levels of visitor infrastructure, including the construction of a new toilet and day shelter at Ronney Creek, and upgraded infrastructure at Dove Lake and Waldheim.					
<i>Cynthia Bay Day Use Facilities</i>	CIP	660	200	....	....
Completion Date: September 2006					
Funding is provided to provide additional parking spaces for cars, vans, buses and trailers and improve vehicle and pedestrian movement.					
<i>Eddystone Point Conservation Works</i>	CIP	344	344	....	....
Completion Date: June 2007					
Funding is provided for infrastructure improvements as part of a co-management agreement between Government and the Aboriginal community at the site.					

Table 7.10: Infrastructure Investment Project Details (continued)

	Funding Source	Estimated Total Cost \$'000	2006-07 Estimate \$'000	2007-08 Estimate \$'000	2008-09 Estimate \$'000
<i>Hartz Mountain - new day shelter and toilets</i> Completion Date: August 2006 Funding is provided for the construction of a new toilet and shelter along the walking track.	CIP	150	143	....	....
<i>Overland Track - implementation of business plan</i> Completion Date: June 2007 Funding is provided for the upgrade of track and hut infrastructure.	CIP	250	250	....	....
<i>Tasmanian Museum and Art Gallery Infrastructure</i> Completion Date: June 2011 This 2006 Election commitment provides for a major redevelopment of TMAG featuring preservation of key heritage buildings, an archaeological dig, and a design for a new TMAG building.	ESIF	30 000	....	7 500	17 500
<i>TMAG - security upgrade and increased public access</i> Completion Date: November 2006 Funding is provided to enable TMAG to increase public access to some of the nationally significant heritage buildings within the Central City site, and to upgrade security and safety arrangements to meet nationally accredited museum benchmarks for security.	CIP	1 660	354	...	...
<i>Tourism Infrastructure</i> Completion Date: June 2007 Funding is provided for the support of key tourism infrastructure development across the State.	ESIF	2521	1 521	...	...

Table 7.10: Infrastructure Investment Project Details (continued)

	Funding Source	Estimated Total Cost \$'000	2006-07 Estimate \$'000	2007-08 Estimate \$'000	2008-09 Estimate \$'000
<i>Wineglass Bay Visitor Access Improvements</i>	CIP	1 200	700	...	...
Completion Date: June 2007					
Funding is provided for re-routing and improvements to the Wineglass Bay walking track.					
			12 461	7 500	17 500
TOTAL INFRASTRUCTURE INVESTMENT PROJECTS <sup>1</sup>					
(excluding Housing Program and Roads Program)					
			129 437	58 109	76 114

Note:

1. Reconciliation of total CIP and Special Capital Investment Funds to Total Infrastructure Investment and Expenditure Table 7.3.

	2006-07
	Total
	\$000
Total CIP and Special Capital Investment Funds (excluding Housing Program and Roads Program)	129 437
Housing Program	19 875
Roads Program	122 034
Fleet Management Services	13 900
Other Infrastructure Investment Expenditure	13 097
Total Infrastructure Investment and Expenditure	298 343