

MEDIA RELEASE

FUTURE INFRASTRUCTURE FOCUS ENDORSED

June 23, 2021

The peak body representing Australia's heavy construction materials industry, Cement Concrete & Aggregates Australia (CCA), has endorsed the 2021-22 NSW Budget for its continued focus and investment in key infrastructure projects across the state.

The "Your Family, Your future" Budget seeks to position the state for the post COVID-19 future with plans to spend \$108.5bn on key infrastructure projects over the next four years. The continued focus on infrastructure investment in roads, public transport and schools improves upon the measures taken in last November's mid-year Budget designed to stimulate and rebuild the NSW economy with new employment opportunities during the pandemic.

This investment includes \$900M for the construction of foundation utilities to create Sydney's Third City, to be known as Bradfield City, adjacent to the new Western Sydney International Airport. Works are expected to commence in the second half of 2021 and once complete, the new City Centre in Sydney's South-West is expected to create 200,000 new jobs and be home to a wide range of aerospace, advanced manufacturing, agri-business, pharmaceutical and freight and logistics industries."

Stage 2 of the Parramatta Light Rail has also been revived with a \$50M allocation to kick start the link from Camellia to Sydney Olympic Park via Wentworth Point as well as the building of 44 new and upgraded schools.

CCA Chief Executive Ken Slattery welcomed the Budget's future infrastructure focus following the stronger than expected economic turnaround. Mr Slattery said that "the ongoing investment in key infrastructure and city shaping projects will help to continue the economic recovery across NSW, following COVID-19. While the future outlook continues to remain uncertain, the focus needs to remain on the creation of new and deliverable projects to boost capacity and new economic opportunities."

Mr Slattery also called upon the Government to consider tax reform following confirmation that Sydney's strong property market delivered an additional \$1bn in stamp duty revenue than was initially forecast by NSW Treasury in its half-yearly review (\$9.379bn for 2020-21, up from \$8.372bn forecast).

"Stamp Duty is now the Budget's largest source of revenue, however it's also a tax that adds significantly to the cost of property purchases for industry and families," said Mr Slattery.

Jason Kuchel, State Director NSW & SA for CCA welcomed the NSW Government's commitment to working with the Federal Government to co-fund recently announced road projects across the State in last month's Federal Budget.

"Co-operation across all levels of Government is critical to the delivery of infrastructure and these projects not only help the state to recover from COVID-19 but also to address pinch points in Sydney or by increasing the capacity and safety of a regional road or highway."

"Headline projects such as the Great Western Highway upgrade from Katoomba to Lithgow, the Mount Ousley interchange north of Wollongong and the Pacific Highway Corridor upgrade from Jervis Bay to Sussex

Inlet are strong examples of these joint commitments and we look forward to seeing these projects commence and come to fruition over the year ahead” he said.

CCAA notes the following allocations in the 2021-22 NSW Budget that are directed towards future infrastructure investment, including:

- \$12.0bn over the next four years for Sydney Metro West;
- \$3.1bn in 2021-22 to continue and commence 110 health capital projects;
- \$2.7bn over the next four years for the M6 Stage 1;
- \$2.1bn over the next four years in new capital expenditure to deliver 44 new and upgraded schools;
- \$2.0bn over the next four years for the Great Western Highway upgrade, co-funded with the Commonwealth;
- \$1.9bn over the next four years for WestConnex;
- \$1.3bn over the next four years for the Northern Road upgrade and the M12 Motorway;
- \$1.1bn to create Sydney’s new Bradfield City with \$900M dedicated to constructing new power, sewage and road utilities;
- \$168.7M over four years to continue planning, design and pre-construction of the Muswellbrook bypass, improving safety on the New England Highway and reducing travel times for long haul freight movements;
- \$125M in 2021-22 for the Pacific Highway Corridor;
- \$60M in 2021-22 for the Mount Ousley interchange; and
- \$115.6 million for the construction of Henry Lawson Drive widening between Tower Road, Georges Hall and Auld Avenue, Milperra (Stage 1) to double capacity and reduce congestion and to continue the development of Stage 2 between Keys Parade and the M5 Motorway.

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