

# STATE BUDGET

## 2018-19

### TREASURER ROB LUCAS MLC MEDIA RELEASE

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### **Building infrastructure to grow the SA economy**

The Marshall Liberal Government's first State Budget is investing in a comprehensive infrastructure program to ensure continued growth in the South Australian economy and to support more jobs.

The 2018-19 State Budget establishes an \$11.3 billion pipeline of projects over the period of 2018-19 to 2021-22 to develop South Australia's productive infrastructure, which will deliver more jobs in the private sector and accelerate South Australia's economic growth.

Contrary to alarmist claims by the Labor Party, there will actually be a \$576 million increase this year compared with what the former Labor government spent last year.

"The State Government is spending \$476.2 million over five years at the former Royal Adelaide Hospital site on job-creating projects including an innovation and commercialisation precinct, a National Aboriginal Art and Cultures Gallery, and an International School of Culinary Excellence, Hospitality and Tourism," said Treasurer Rob Lucas

"The establishment of an innovation and commercialisation precinct in the heart of the city involves a significant capital works program, with \$43.9 million to refit and repurpose seven buildings, including heritage buildings on North Terrace on the site known as Lot Fourteen.

"This precinct will open up 23,000 square metres of space to provide a place to build entrepreneurship and collaboration in SA, at what is one of the nation's most exciting urban renewal sites.

"Lot Fourteen will also be the site of the International School of Culinary Excellence, Hospitality and Tourism, with the Department for Industry and Skills, Renewal SA, and TAFE SA to collaborate on a full scoping study for the proposed facilities – this measure provides indicative expenditure of \$30 million over two years in 2020-21 and 2021-22 to commence construction.

"The process for defining the scope and vision for the National Aboriginal Art and Cultures Gallery will be kickstarted with \$200,000 in 2018-19, with extensive

# STATE BUDGET

## 2018–19

consultation to be undertaken with Aboriginal communities, the South Australian Museum and the Art Gallery.

“Indicative investment expenditure of \$60 million will be provided from 2020-21 to commence construction of the new gallery.

“We are delivering a significant public infrastructure program in line with our election commitments, to support a buoyant construction sector and leverage major investments in the private sector.

“Upgrades to regional and metro hospitals are critical to supporting the health and wellbeing of all South Australians.

“That’s why we are delivering on our health infrastructure election commitments to re-open the Repat as a genuine health precinct, significantly improve our regional health infrastructure with a \$140 million investment, invest over \$110 million in Modbury Hospital (including \$18 million in operating support), provide \$8.5 million over three years for a new aged care facility at Strathalbyn, and deliver a \$7 million upgrade to the Emergency Department of the Murray Bridge Soldiers’ Memorial Hospital.

“Investing in better roads and improved infrastructure is critical to growing the productive capacity of South Australian industries, and will assist businesses in getting their goods and services to their markets more efficiently.

“The new State Government’s co-operative working relationship with the Commonwealth Government is already bearing fruit with significant funding secured for key road and infrastructure projects.”

The 2018-19 State Budget includes a \$2.3 billion investment in roads, including:

- \$354.3 million Pym to Regency Rd Section of the North-South Corridor
- \$200 million for the duplication of the Joy Baluch AM Bridge
- \$88.5 million for the Port Wakefield Rd Overpass and widening of the Augusta Highway to four lanes through Port Wakefield
- \$16.5 million for the staged upgrade of infrastructure around the Mitcham Hills network
- \$15.0 million for the installation of Southern Expressway safety screens and safety camera upgrades

This State Budget establishes the State Government’s dedicated Regional Roads and Infrastructure Fund promised before the election.

The fund will use a revenue stream drawn from 30 per cent of total royalty revenue paid by mineral resources and petroleum companies producing in South Australia. Estimated to raise \$315 million over four years, this fund will be used for a number of

# STATE BUDGET

## 2018–19

regional projects including the Penola bypass (\$14.6 million), and the Nairne intersection upgrade (\$5 million).

Investments in public transport infrastructure to make the network more efficient and to encourage more South Australians onto the network will include:

- \$615 million for the Gawler Rail Line Electrification project (\$578 million over the forward estimates)
- \$37 million to install a right-hand turn as part of the city tram extension
- \$18.5 million for park 'n' rides along the O-Bahn network, building on the \$15 million previously provided
- \$600,000 for the business case for the extension of tram services in the CBD
- \$11.7 million for the city south tram line renewal and stop upgrade.

We are delivering upgrades to existing school infrastructure to ensure our young people across regional and metropolitan SA can learn in quality modern facilities.

Upgrades to existing schools and investments in new schools include:

- \$100 million over four years for a new year 7 to 12 public secondary school in Whyalla, for 1500 students, with expected completion in 2021.
- The \$100 million Adelaide Botanic High School, to open in term 1, 2019
- \$261 million for two new birth to year 12 schools in metropolitan northern and southern suburbs to be completed as Public Private Partnerships
- \$692 million over six years to 2022-23 to improve school infrastructure.

Investing in grassroots sports infrastructure is critically important for communities right across the state, so they have access to adequate facilities for junior sport, right through the grades on the pathway to the elite level.

The State Government is delivering on its election commitments in respect of community sporting infrastructure.