



MEDIA RELEASE

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19 September 2023

FIRST MINNS BUDGET DELIVERS SENSIBLE INFRASTRUCTURE SPEND AMID SOBERING FISCAL CIRCUMSTANCES IN NSW

As anticipated, the New South Wales Treasurer Daniel Mookhey has today delivered a slightly reduced infrastructure agenda, against a backdrop of fiscal pressure and economic uncertainty, says industry think tank Infrastructure Partnerships Australia.

“The Government has delivered a Budget that balances re-prioritised funding against a stark fiscal reality. Treasurer Mookhey has managed to land a largely intact core infrastructure package on a very narrow Budget runway,” Adrian Dwyer, Chief Executive of Infrastructure Partnerships Australia said.

“The New South Wales Budget commits \$85.6 billion to infrastructure, equating to 16.6 per cent share of total spending. With continuing economic and fiscal challenges, the Government’s share of infrastructure funding has reduced from a high watermark of \$88.4 billion – nearly 18 per cent of total spending – in last year’s Budget.

“The Budget confirms that Sydney Metro West, City and Southwest and Western Sydney Airport projects will be continued, with the Government having also previously cancelled the Wyangala Dam Wall Raising and New Dungowan Dam projects. A number of other projects have been confirmed as delayed or descope, such as the Great Western Highway Duplication, Ultimo Powerhouse Museum and Fast Rail Program.

“The infrastructure budget still sits under a shadow cast by the Federal Government’s 90-Day Review, with the NSW Government estimating \$14.2 billion of Federal infrastructure contributions remain subject to change.

“While it is pleasing to see the NSW Government confirm some projects which appeared at risk, the sector really needs certainty on the pipeline it has to deliver.

“The Budget also confirmed an investment of \$1.8 billion toward the energy transition, of which, \$1 billion will be directed towards establishing the Energy Security Corporation (ESC) and \$800 million to investments focused on connecting wind and solar throughout the State’s Renewable Energy Zones. The NSW Government will need to carefully manage its ESC investments to avoid crowding out private capital – inadvertently delaying the State’s transition.

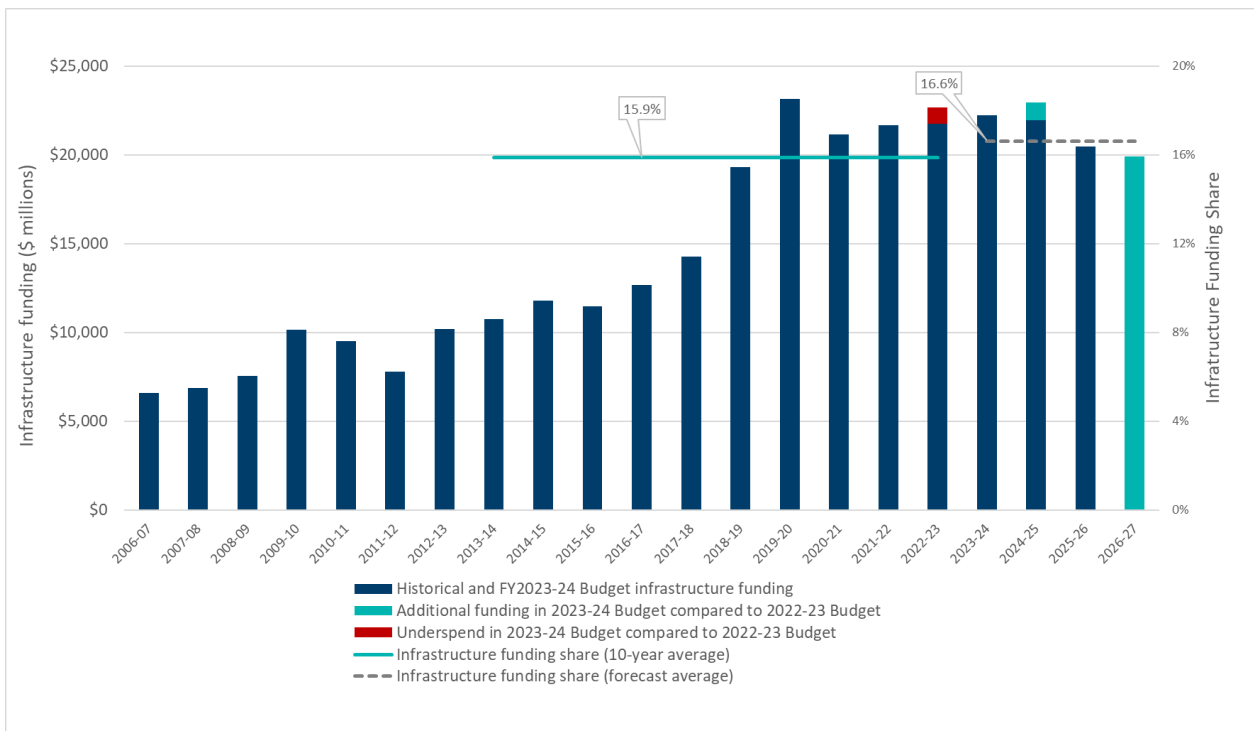




“The NSW Government will discontinue rebates for electric vehicle purchases and stamp duty exemptions and refocus spending into vehicle charging infrastructure. Critically, the NSW Government has expressed continued support of road user charging for EVs – subject to the pending High Court decision. For toll-paying road users, this Budget confirmed a \$60 weekly cap for private motorists for two years from 1 January 2024 and a reduction in the truck toll multiplier on the M5 East and M8,” said Infrastructure Partnerships Australia, Chief Executive Adrian Dwyer.

Infrastructure Partnerships Australia is the nation’s industry think tank providing independent policy research focused on excellence in social and economic infrastructure.

Committed NSW general government infrastructure funding FY2006-07 to FY2026-27



Source: Infrastructure Partnerships Australia

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