



08 August 2019

Mr Jeremy Conway
Chief Executive
Infrastructure SA
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Dear Mr Conway, *Jeremy*

RE: Infrastructure Partnerships Australia's submission on the I-SA 20-Year State Infrastructure Strategy Discussion Paper

Infrastructure Partnerships Australia would like to thank Infrastructure South Australia for the opportunity to provide feedback on the 20-Year State Infrastructure Strategy Discussion Paper.

Infrastructure Partnerships Australia is an independent think tank and an executive member network, providing research focused on excellence in social and economic infrastructure.

On behalf of the Australian infrastructure sector we fully endorse the establishment of Infrastructure South Australia and the development of the 20-Year Strategy. Standalone infrastructure bodies have consistently lifted the standard of strategic infrastructure planning in Australia, whilst providing valuable independent direction and clear visibility over forward priorities. Further, we commend I-SA's approach to engagement with industry and community on the development of the strategy.

Infrastructure South Australia must balance independence and influence

Since 2008, Australia has seen a proliferation of infrastructure bodies (i-bodies) at the Commonwealth and state level, each with differing form and function. Independence has been a foundational rhetorical pillar in the establishment of most i-bodies. However, the relative success of i-bodies appears to be substantially defined by the respective organisations capacity to balance independent advice and process, with capacity to influence government decision-





making. In short, i-bodies must exist on a spectrum between independence and influence, where too much of one does not inhibit the capacity to achieve the other.

Each of Australia's i-bodies has been established with a different suite of functions, and therefore varying degrees of independence and influence. A core challenge for I-SA is to determine the appropriate balance between independence and influence in the South Australian context.

Infrastructure is long-term, and should be viewed as such

The benefits of infrastructure investment extend well beyond electoral and economic cycles. A long-term perspective must therefore remain central in I-SA's consideration of reform and project prioritisation. It is important to continue this long-term perspective despite the inevitable pressure of short-term interests.

Infrastructure Partnerships Australia commends both the South Australian Government for legislating the development of the 20-Year strategy and I-SA for incorporating the 30-Year plan for Greater Adelaide. However, we encourage I-SA to remain unconstrained by the 20-year horizon as it considers formation of the Strategy. While the degree of certainty of outcomes will diminish beyond the two-decade horizon, I-SA must remain cognisant of the substantial structural changes that will occur over the longer term and seek to maximise optionality for Government decision makers.

Infrastructure South Australia's immediate and longer-term perspective will continue to be constrained by the paucity and reliability of data on which to base decisions. We therefore encourage I-SA to consider the use of scenario-based modelling to assess how robust its recommendations are to multiple futures. This approach can also provide useful 'signposts' to decision makers when considering future options.

Infrastructure prioritisation should be transparent and engaging

Modern infrastructure projects must be transparent and engaging across their lifecycle. Genuine stakeholder engagement during project prioritisation phase will help shore-up social license for project delivery. Infrastructure Partnerships Australia recommend that I-SA continue their





genuine approach to engagement that builds on the precedent set through the 20-Year State Infrastructure Strategy Discussion Paper consultation.

Infrastructure Partnerships Australia curates the infrastructurepipeline.org on behalf of the Australian and New Zealand governments. The Pipeline has been an important tool to improve community and industry visibility over the forward pipeline of projects in the South Australian, national and Trans-Tasman infrastructure markets. We will continue to work with I-SA to ensure all projects in the Capital Intentions Statement for example, are publicised on infrastructurepipeline.org, and opportunities for private sector engagement within the South Australian market are well understood.

Over time, we encourage I-SA to include scope for building a public evidence base through data collection and post-completion reviews. Rigorous post-completion reviews are valuable tools in refining infrastructure decision-making and provide an objective basis to examine the effectiveness of funding, procurement, delivery and operational models.

South Australia has a unique opportunity for innovation

South Australia faces a unique set of challenges and opportunities in infrastructure that sets it apart from places like Victoria and NSW. While the east coast states are building infrastructure to keep pace with unprecedented population growth, South Australia has an opportunity to do things differently.

Without the acute pressures of consistent above trend population growth, South Australia has the chance to fundamentally rethink how infrastructure is conceived, delivered and paid for. Most powerfully, there is an opportunity to lead the nation on infrastructure reform and innovation – and set a new path for how we manage rapid change across the sector.

The future of infrastructure will see the convergence of traditionally distinct sectors, for example the advent of electric vehicles is a convergence of energy and transport. South Australia is well placed to harness changes like this because of its unique natural and circumstantial advantages.

As such, we encourage I-SA to investigate opportunities for infrastructure innovation in South Australia and work closely with government and community to seize its first mover advantage.





Should you require further information regarding Infrastructure Partnerships Australia's response to the 20-Year Strategy Discussion Paper, please contact Infrastructure Partnership Australia Senior Policy Advisor, Hamilton Hayden on 0404 233 033 or

Yours Sincerely,

[DELETED]

Adrian Dwyer
Chief Executive Officer
Infrastructure Partnerships Australia

