

15 August 2022

Director - Engagement, Advisory and Projects Section
Department of Infrastructure, Transport, Regional Development, Communications and the Arts
GPO Box 594
CANBERRA ACT 2601

IA.Review@infrastructure.gov.au

Dear Sir/Madam,

Re: Independent review of Infrastructure Australia

The Council of Capital City Lord Mayors (CCCLM) consists of the Lord Mayors of Adelaide, Brisbane, Darwin, Hobart, Melbourne, Perth and Sydney, as well as the Chief Minister of the ACT.

Our capital city councils welcome the review into Infrastructure Australia (IA) announced by Infrastructure Minister the Hon Catherine King MP on July 22 2022 and appreciate the opportunity to have input.

Our submission to the Independent Review is focused on the **Functions** element of the Terms of Reference.

Functions *i. the advice and products for which IA is responsible, and whether these remain fit-for-purpose; ii. how IA's work relates to the work of state-level infrastructure bodies, and iii. how IA's work addresses the priorities and requirements of the Australian Government.*

However, we are also concerned that local government expertise is not currently represented on the IA Board which is covered by the **Governance and administration** element of the Terms of Reference. It is now more common for some larger local governments to make submissions to IA, and CCCLM is of the view that a commensurate understanding of local government issues, including governance and finance, is required on the IA Board.

Governance and administration *i. the optimal size, mandate, responsibilities, and composition of the IA Board, including the experience, skills, and expertise of members*

Background - Reinstating Social Infrastructure as a Key Priority

CCCLM is concerned that social infrastructure was removed as a key priority by the previous Government. Despite featuring strongly in the 2021 Infrastructure Plan and the Infrastructure Priority List it was left off the Statement of Expectations by then Infrastructure Minister the Hon Barnaby Joyce MP.

This does not align with the priorities and requirements of the Australian Government as outlined in the Albanese Government's six-point plan for cities policy to 'invest in our cities and suburbs to make them more productive, sustainable and liveable.' Social infrastructure is an integral part of these three key elements.

The 2021 Infrastructure Plan (the Plan) focuses on nine key areas for reform to ‘imagine what a stronger Australia looks like in 2036’ and prioritises social infrastructure such as parks, community centres, social housing and arts, culture and recreation facilities:

8: *“Social infrastructure — supporting economic prosperity and quality of life. Quality, accessible, future-focused, multi-purpose and economically valued social infrastructure should support a strong, healthy and prosperous nation and ongoing quality of life for all Australians.”*

Within the Social infrastructure reform section of the Executive Summary there is a detailed examination of the importance and economic benefits of investment in social infrastructure and its impact on social cohesion:

“Social infrastructure connects people and communities to services and opportunities that enhance their quality of life, enable them to live together and help each other, keep them safe and healthy and boost national productivity. To drive more appropriate and effective investment, Australia needs a consistent national framework for valuing social infrastructure.”

We welcome the inclusion of a ‘place-based approach’ to infrastructure and decision-making as part of the key themes in the Plan. Australia’s capital cities fit into this identified category of fast-growing cities needing ‘to provide a high standard of living to remain globally competitive.’

The executive summary of the Plan acknowledges the role of local government in social infrastructure and capital cities are key stakeholders: *“Local governments play a critical role in the 2021 Australian Infrastructure Plan as active owners of transport, water, digital and social infrastructure. Councils are a vital link to the local community through land use and investment planning. Specific reforms have been identified for local governments that will require higher levels of collaboration across local government boundaries, and with other levels of government.”*

The 2021 Reform Priority List reaffirms this commitment through its Assessment Framework which also pledges to ‘consider social infrastructure, such as health, social housing, education and community facilities.’ (4.3 – what makes a proposal nationally significant?) The importance of culture is realised by ‘vibrant and socially inclusive meeting places, such as community, entertainment, recreational, arts and cultural facilities.’ On p. 76 this position is articulated with clarity and specificity: *“Every proposal on the Priority List is expected to contribute to national productivity or to be otherwise socially beneficial. It is a statement of where governments, the community and the private sector can best focus their infrastructure efforts.”*

The Statement of Expectations (SoE) issued to the Chair of Infrastructure Australia from then Infrastructure Minister, the Hon Barnaby Joyce MP on 2 March 2022 has removed reference to Social Infrastructure from the list of nationally significant infrastructure and skewed the focus away from the cities towards the regions, creating a bias which is detrimental to a balanced consideration of projects.

Recommendations

The 2021 Australian Infrastructure Plan included a chapter recognising the economic benefits of social infrastructure. The plan reported significant direct and indirect economic benefits derived from social infrastructure, this recognition is essential for future development of the sector.

Cultural infrastructure was referenced within the social infrastructure framework in this plan, where it was reported that arts, culture, and recreation facilities define Australian cultural identity. Along with public green and blue spaces (parks and waterways), they improve physical and mental health and make communities more liveable. All levels of government should collectively plan to bring these areas to life through better accessibility and precinct development and renewal.

The previous government, in a revision of Infrastructure Australia's Statement of Expectations removed Social Infrastructure from its list of nationally significant infrastructure. The CCCLM believes this is a short-sighted view given the critical role arts and cultural facilities play in community wellbeing and as employment generators.

The CCCLM recommends that:

- Social Infrastructure is reinstated into the expectations for Infrastructure Australia;
- A consistent national framework for valuing social infrastructure is developed, to drive appropriate and effective investment.

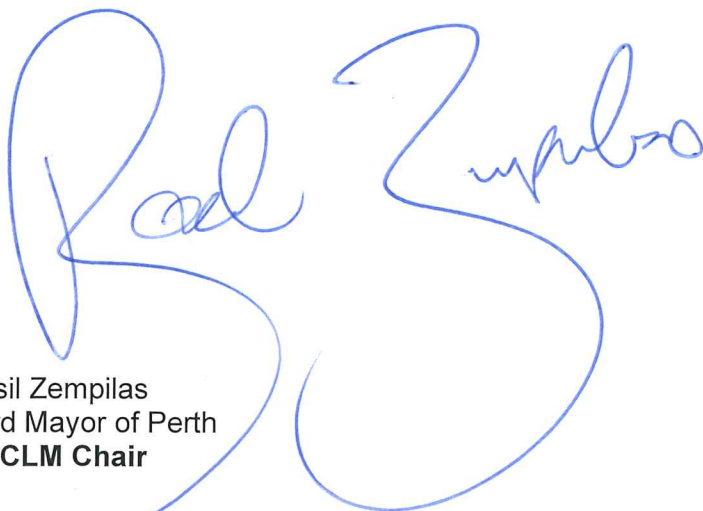
The CCCLM also recommends:

- That local government expertise, including an understanding of the significant contribution of the Capital Cities, be acknowledged and reflected by representation onto the IA Board;
- IA should have at its heart the elevation of the knowledge and cultures of Aboriginal and Torres Strait Islander peoples.

In closing, the CCCLM has valued Infrastructure Australia's research including for example, the Infrastructure Beyond Covid-19 report. These reports have provided welcomed insights for capital city councils.

We would welcome the opportunity of discussing our submission further.

Yours sincerely



Basil Zempilas
Lord Mayor of Perth
CCCLM Chair