

5.4 THE TERRITORY'S INFRASTRUCTURE

The Territory's Asset Base

The majority of the Territory's physical assets consist of public housing, stormwater infrastructure, roads, community and heritage assets and schools, as well as the land on which they are situated.

Table 5.4.1 below shows the Territory's physical asset base split between the General Government Sector and the Public Trading Enterprise Sector. The total value of physical assets, net of depreciation, is estimated to increase during 2010-11 by \$1.1 billion (6.6 per cent) to reach \$18.2 billion by June 2011. Factoring in the combination of existing and new capital works projects reaching completion, coupled with asset revaluations, it is expected that the value of the Territory's total physical assets will increase further to \$19.3 billion by June 2012.

Table 5.4.1
Total Territory Physical Assets: Value by Sector

As at 30 June	2007	2008	2009	2010	2011	2012
	Actual \$m	Actual \$m	Actual \$m	Actual \$m	Estimate \$m	Budget \$m
General Government Sector	6,687	8,076	10,795	11,496	12,341	12,778
Public Trading Enterprise Sector	4,524	5,041	5,119	5,526	5,812	6,472
Total Territory	11,211	13,117	15,914	17,022	18,153	19,250

Figure 5.4.1 below shows that as at 30 June 2010, the majority of the Territory's assets were classed as Infrastructure Assets (43 per cent), Land (23.2 per cent) and Buildings (21.4 per cent).

Figure 5.4.1
Total Territory Physical Assets:
Distribution by Category as at 30 June 2010

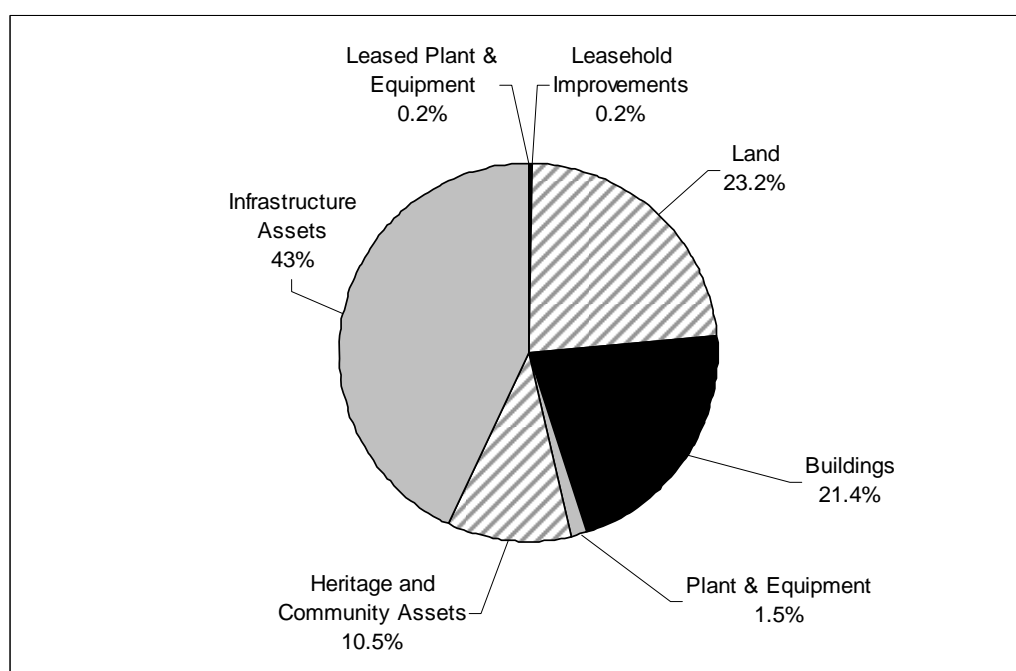


Figure 5.4.2 below shows that as at 30 June 2010, the Department of Territory and Municipal Services was the owner of 47.6 per cent of the Territory’s physical assets. Housing ACT has responsibility for 24.6 per cent, the Department of Education and Training has 8.7 per cent and ACTEW Corporation has 7.1 per cent.

Figure 5.4.2
Total Territory Physical Assets:
Distribution by Agency as at 30 June 2010

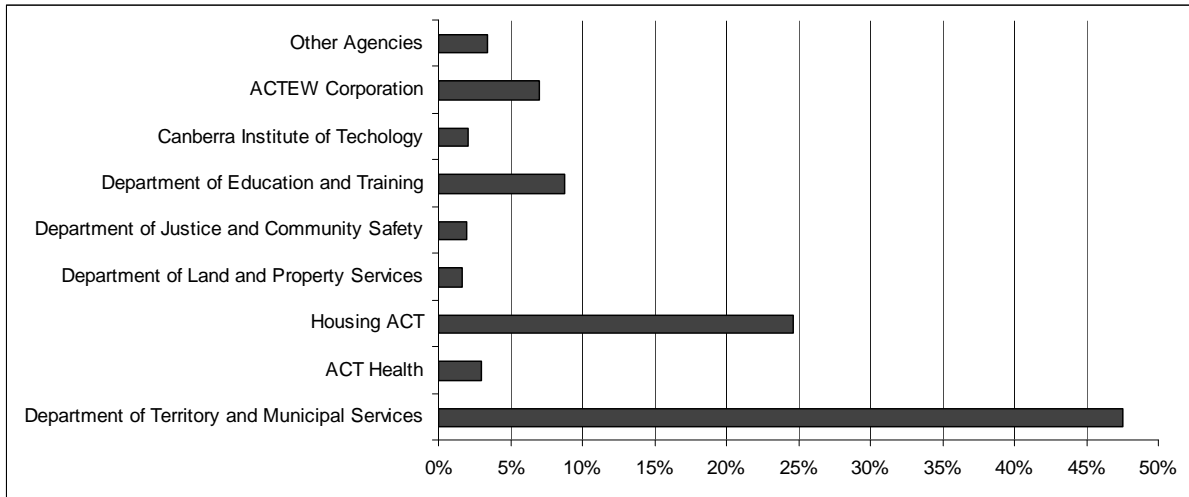
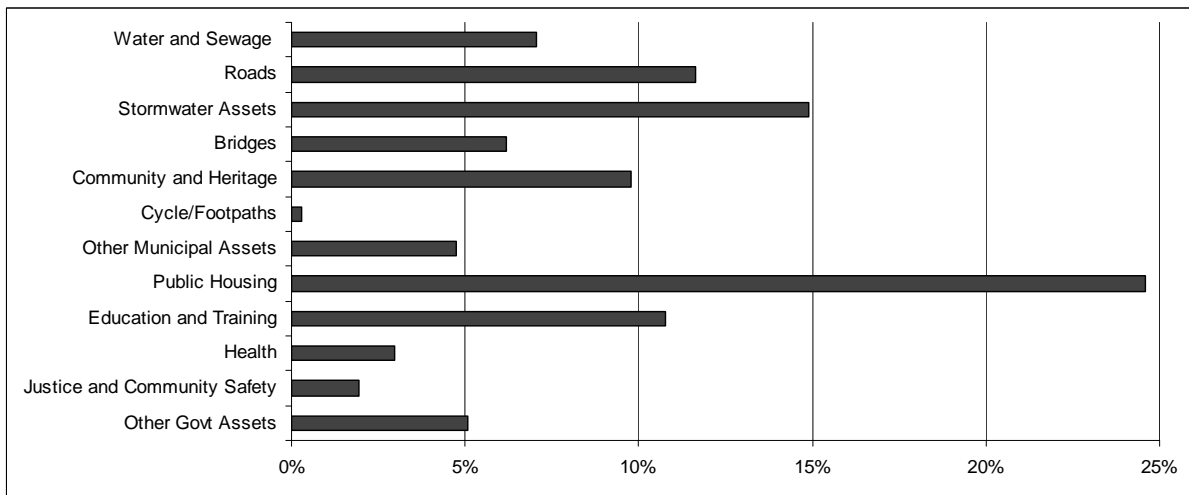


Figure 5.4.3 below highlights that the majority of the Territory’s assets relate to the provision of public housing, followed by an array of infrastructure that support the delivery of municipal services to the community.

Figure 5.4.3
Total Territory Physical Assets:
Distribution by Asset Type as at 30 June 2010



Capital Expenditure Trend

The Territory's annual capital works expenditure for 2010-11 is estimated at \$668.1 million. This represents a forecast increase in expenditure of around 15.1 per cent on the 2009-10 expenditure outcome of \$580.5 million.

Table 5.4.2
Capital Works Expenditure Summary

	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15
	Actual	Actual	Actual	Actual	Estimate	Estimate	Estimate	Estimate	Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Total	218,069	282,728	296,472	580,461	668,110	824,197	622,595	330,256	320,407

Figure 5.4.4 below highlights that annual expenditure on capital works has been steadily increasing over time, with major injections being made in recent Budgets. A New Works Program of \$884.9 million over four years has been announced as part of the 2011-12 Budget.

Figure 5.4.4
Capital Works Expenditure Program:
2002-03 to 2014-15

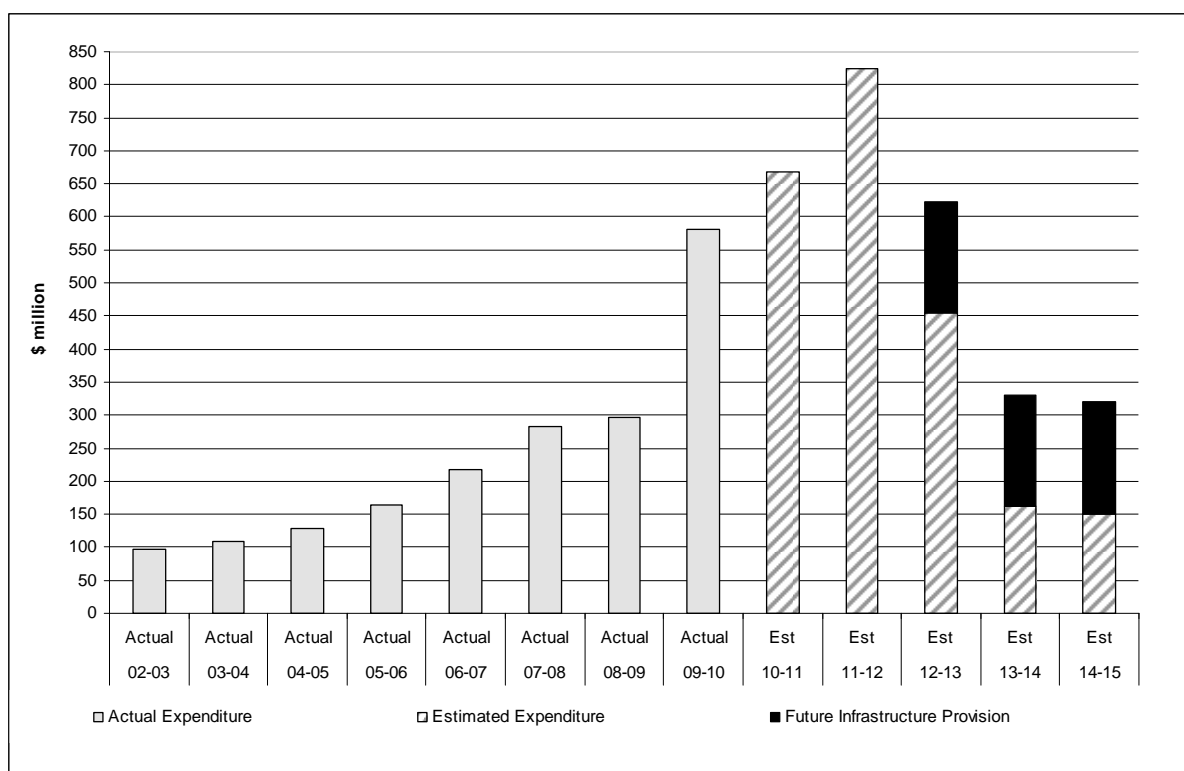
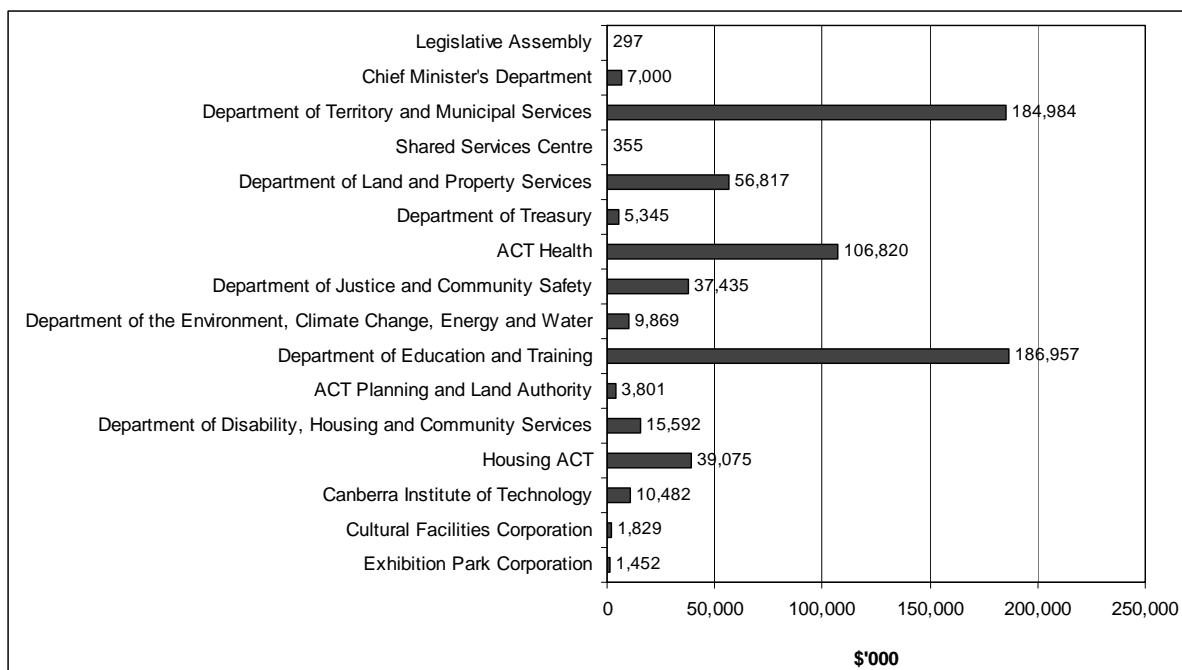


Figure 5.4.5 below shows estimated capital works expenditure for 2010-11 by agency. The Department of Education and Training has the largest forecast spend (\$187 million), followed by the Department of Territory and Municipal Services (\$185 million), ACT Health (\$106.8 million), the Department of Land and Property Services (\$56.8 million) and Housing ACT (\$39.1 million).

**Figure 5.4.5
Estimated Capital Expenditure by Agency in 2010-11**



Repairs and Maintenance

Ensuring that appropriate Repairs and Maintenance are carried out on the Territory's existing assets is an important element in sustaining the Territory's physical asset base into the future.

Maintenance expenditure identified in Table 5.4.3 below does not include 'maintenance-related' works which are classified as capital in nature. For example, a portion of agencies' annual Capital Upgrade funding (budgeted at \$46.3 million in 2011-12) is also utilised for sustaining the Territory's asset base.

**Table 5.4.3
Repairs and Maintenance**

2004-05	2005-06	2006-07	2007-08	2008-09	2009-10
Actual	Actual	Actual	Actual	Actual	Actual
\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
79,246	83,972	109,552	121,373	136,667	161,073