

CHAPTER 4

THE TERRITORY'S INFRASTRUCTURE

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4.1 THE TERRITORY'S ASSET BASE

The majority of the Territory's physical assets consist of roads and bridges, stormwater infrastructure, public housing, schools and health facilities.

Table 4.1.1 below shows the Territory's physical asset base split by the General Government Sector and the Public Trading Enterprise Sector. The Territory's total physical assets are estimated to be valued at \$13.8 billion as at 30 June 2009. 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 \$14.4 billion by June 2010.

The total value of physical assets, net of depreciation, is estimated to increase during 2008-09 by \$649 million (4.9 per cent) to reach \$13.8 billion by June 2009.

Table 4.1.1
Total Territory Physical Assets: Value by Sector

As at 30 June	2005	2006	2007	2008	2009	2010
	Actual \$m	Actual \$m	Actual \$m	Actual \$m	Estimate \$m	Budget \$m
General Government Sector	5,845	5,999	6,687	8,076	8,710	9,039
Public Trading Enterprise Sector	3,975	4,031	4,524	5,041	5,056	5,340
Total Territory	9,820	10,030	11,211	13,117	13,766	14,379

Figure 4.1.1 below shows that as at 30 June 2008, the majority of the Territory's assets were classed as Infrastructure Assets (43 per cent), Buildings (25.2 per cent) and Land (24.8 per cent).

Figure 4.1.1
Total Territory Physical Assets:
Distribution by Category as at 30 June 2008

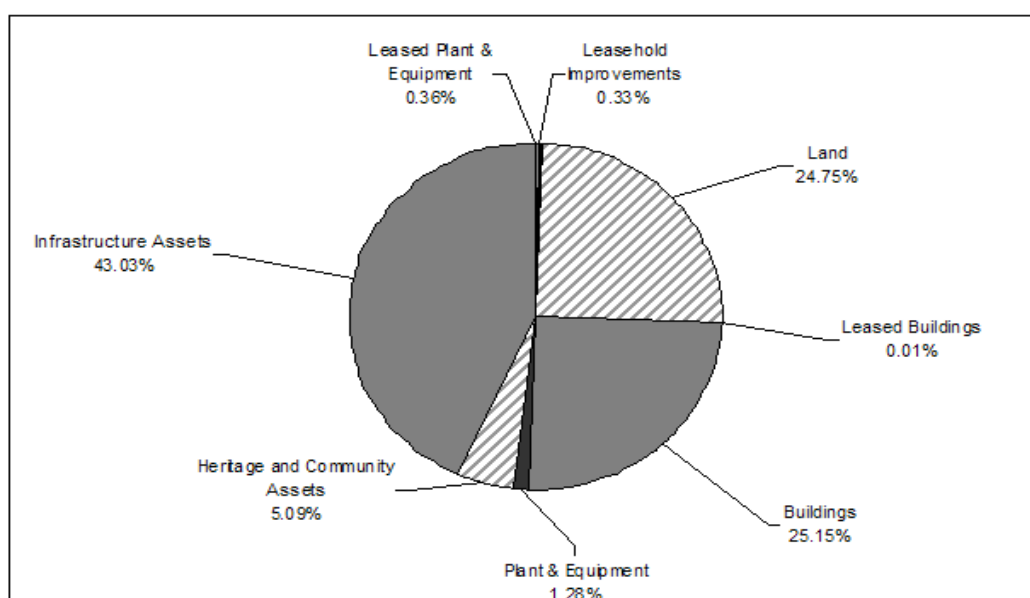


Figure 4.1.2 below shows that as at 30 June 2008, the Department of Territory and Municipal Services is the owner of 42.1 per cent of the Territory's physical assets. Housing ACT has responsibility for 28.6 per cent, the Department of Education and Training has 10.5 per cent and ACTEW Corporation has 9 per cent.

Figure 4.1.2
Total Territory Physical Assets:
Distribution by Agency as at 30 June 2008

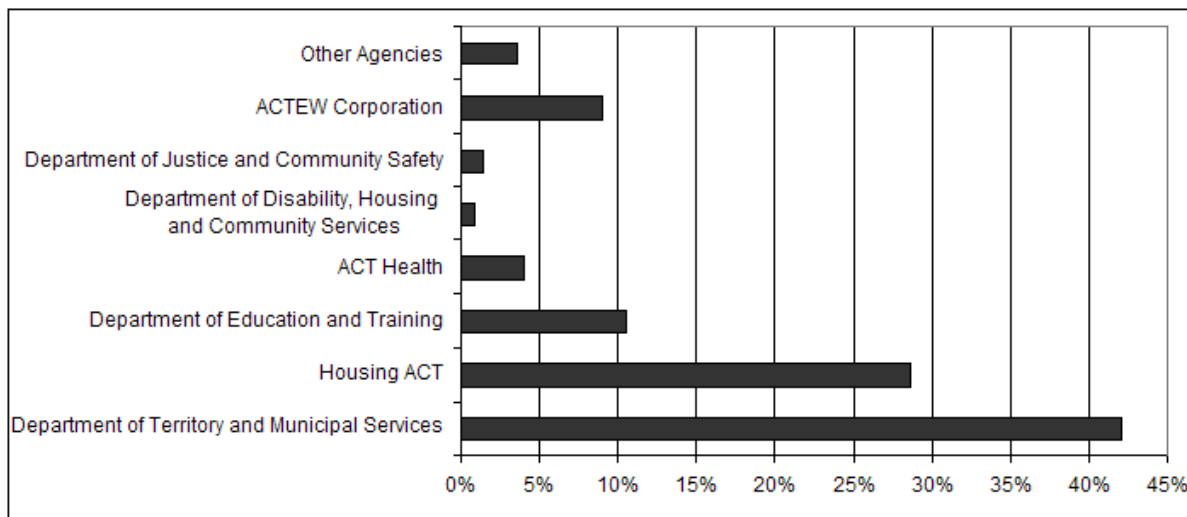
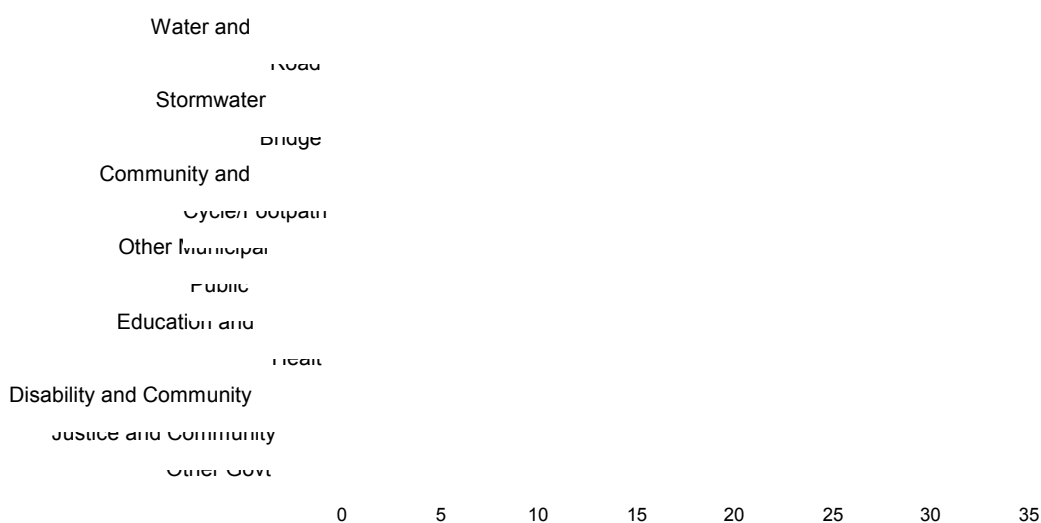


Figure 4.1.3 below highlights that the majority of the Territory's assets relate to the provision of public housing, followed by an array of infrastructure that support the delivery of municipal services to the community.

Figure 4.1.3
Total Territory Physical Assets:
Distribution by Asset Type as at 30 June 2008



4.2 CAPITAL EXPENDITURE TREND

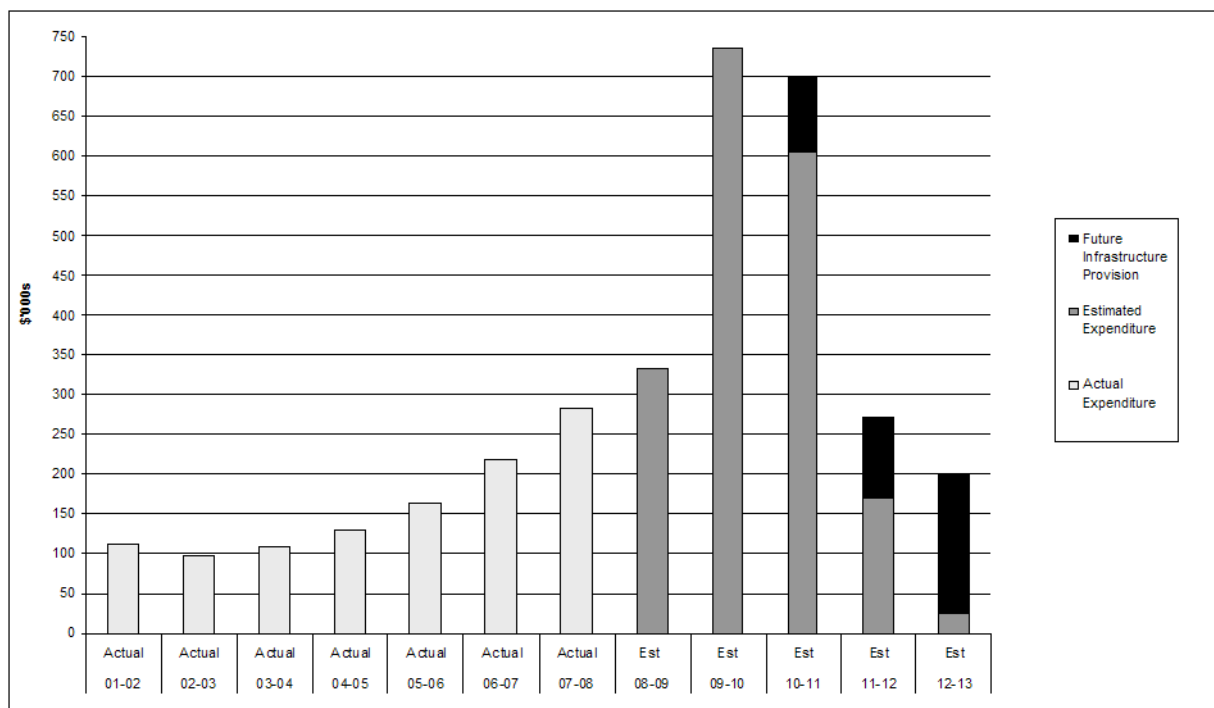
The Territory's annual capital works expenditure for 2008-09 is estimated at \$333.5 million. This represents an increase of around 18 per cent on the 2007-08 expenditure.

Table 4.2.1
Capital Works Expenditure Summary

	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13
	Actual	Actual	Actual	Estimate	Estimate	Estimate	Estimate	Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Total	163,141	218,069	282,728	333,519	735,576	700,051	270,533	198,577

Figure 4.2.1 below highlights that annual expenditure on capital works has been steadily increasing over time, with a major injection being made in the current Budget.

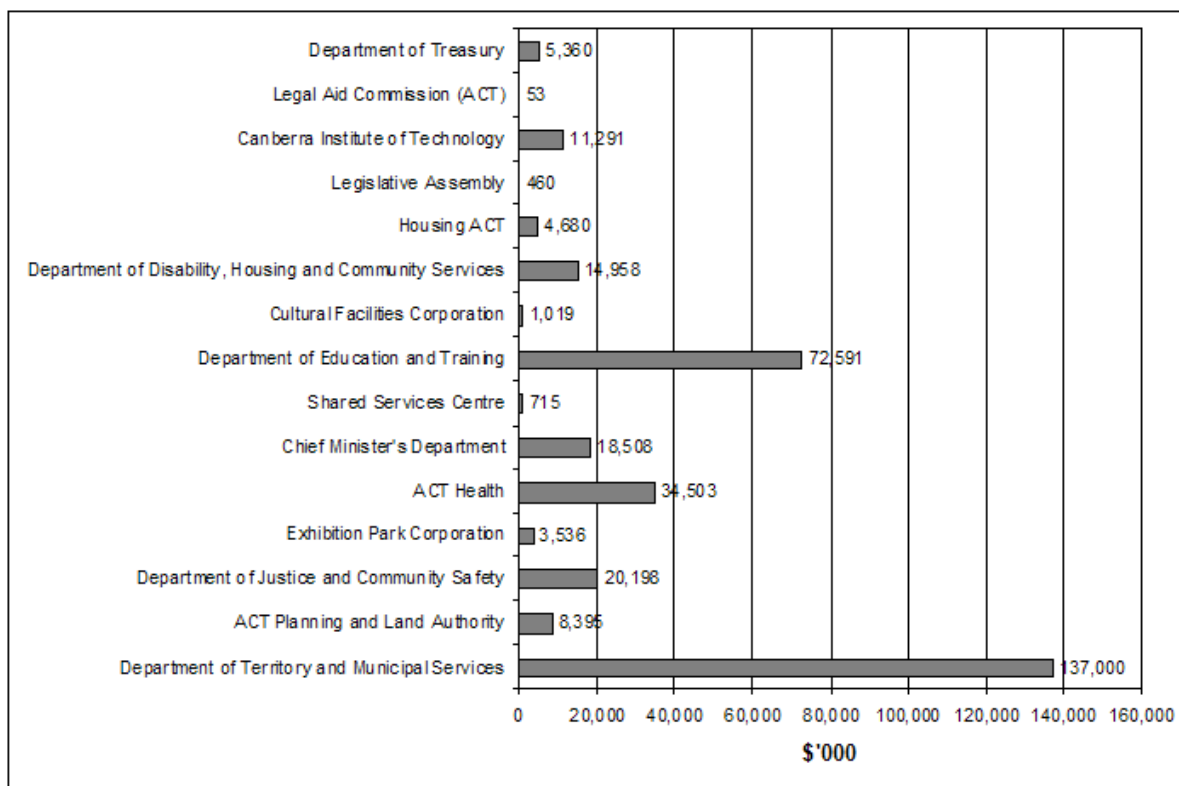
Figure 4.2.1
Capital Works Expenditure Program:
2001-02 to 2012-13



Increased expenditure includes new capital works projects announced in the 2009-10 Budget, Commonwealth funding provided through *Nation Building and Jobs Plan*, Roads to Recovery, Building Australia Program, Black Spot Program, and National Partnership Agreements, as well as the remaining provisions from the ACT Government's *Building the Future* program and the base capital works program across the forward estimates.

Figure 4.2.2 below shows estimated capital works expenditure for 2008-09 by agency. The Department of Territory and Municipal Services has the largest forecast spend (\$137 million), followed by the Department of Education and Training (\$72.6 million), ACT Health (\$34.5 million), the Department of Justice and Community Safety (\$20.2 million) and the Chief Minister's Department (\$18.5 million).

Figure 4.2.2
Estimated Capital Expenditure by Agency in 2008-09



4.3 REPAIRS AND MAINTENANCE

The Territory still enjoys a relatively young asset base. However, 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 4.3.1 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 \$44.3 million in 2009-10) is also utilised for sustaining the Territory's asset base.

Table 4.3.1
Repairs and Maintenance¹

2003-04	2004-05	2005-06	2006-07	2007-08
Actual	Actual	Actual	Actual	Actual
\$'m	\$'m	\$'m	\$'m	\$'m
88.043	79.246	83.972	109.552	121.373

Note:

1. Repairs and Maintenance figures are for whole of government and include internal and external trading.

