

Hon Jay Weatherill MP

Premier

Monday, 22 January 2018

Time for the Feds to back regional South Australian infrastructure

The State Government will commit to funding its share of the \$450 million sealing of the Strzelecki Track and is calling on the Federal Government to do the same.

Just as the Government has done with the duplication of the Joy Baluch AM Bridge, the State Labor Government is committing \$90 million towards this nation building project.

It comes as a new report is released showing there would be significant economic and community benefits of sealing the Track.

The report has found that the Strzelecki Track, if sealed, would deliver significant economic benefits for the outback and beyond and provide a major uplift for industries including:

- Tourism
- Resources
- Beef Cattle Production and
- Road Freight Industry

These wider benefits have the potential to deliver a 'value add' to the economy in the order of \$87 million in year 10 after the project completion.

With jobs the Government's number one priority, the report also shows up to 410 jobs could be created as a result of the upgrade.

This would be in addition to the approximately 300 jobs that would be supported during construction.

Other benefits include providing a vital link for pastoralists, townspeople and indigenous communities to access services to the south that are not available in the area.

Background

Outside of the Strzelecki Track, there is no alternative direct land transport route available between Adelaide and the Cooper Basin.

In addition to the economic and community benefits, the project will provide significant benefits to the freight and mining industry including:

- reduced travel times and vehicle operating costs, particularly for heavy vehicles accessing the Santos oil and gas processing facility in Moomba, as well as existing mining and onshore gas exploration in the Cooper Basin
- improved travel time reliability for freight, tourists and people in remote communities by reducing the frequency/duration of road closures due to wet weather
- reduced frequency and severity of road crashes
- improved access for high productivity freight vehicles

The project has a very strong benefit-cost ratio (BCR) of 4.9:1.

Quotes attributable to Premier Jay Weatherill

The State Labor Government will commit \$90 million towards sealing the Strzelecki Track.

The benefits are huge. In addition to supporting approximately 300 jobs a year during construction, once complete could be up to 410 ongoing jobs created.

We have long championed the sealing of the Strzelecki Track since it was identified as a high priority in our 2013 Integrated Transport and Land Use Plan.

In February 2014 the State Labor Government submitted the proposal to Infrastructure Australia because we recognised the incredible potential of unlocking a new freight route between South Australia and Queensland.

Sealing the 426 kilometre Strzelecki Track between Lyndhurst and Innamincka will dramatically reduce transport costs and deliver enormous benefits to the tourism sector, beef cattle production, road freight industry and remote communities.

In addition to economic and community benefits outlined in this new report, previous analysis has shown that reduced vehicle costs and reduced accident costs would be in the vicinity of \$1.59 billion.

Infrastructure Australia has identified the project as a “priority initiative” recognising the value and importance of this project.

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