

Infrastructure boom hits Brisbane

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Brisbane is set to experience a \$15 billion infrastructure boom during the next few years as big projects finally return to Australia's third-largest city.

While the Queensland capital experienced an infrastructure sweet spot a decade ago when a toll road frenzy kickstarted the local economy, the decision by the Palaszczuk Labor government to abandon the former Newman government's \$37 billion asset sales program meant the money for big projects dried up.

Hundreds of bankers from Sydney, who had moved to Brisbane to take part in the large-scale privatisation of electricity and port assets before the 2015 election, headed back down south to Sydney where former NSW premier Mike Baird showed how to successfully deliver an infrastructure boom on the back of an asset sales agenda. Construction workers and engineers followed.

With the new debt-laden Palaszczuk government unable to replicate the bumper \$17 billion capital works budgets of the Beattie and Bligh Labor administrations – and the debt market goal posts changing after the global financial crisis – many projects languished on the drawing board.

But Brisbane's infrastructure backlog is finally starting to move with a string of new projects, which will help lift the city out of the economic doldrums and take over from its slowing apartment market.

After being rebuffed by the Coalition federal government, the Palaszczuk government has decided to fund the bulk of the \$5.4 billion Cross River Rail project, its No. 1 infrastructure project, with hopes the private sector will help

The big surge

Brisbane's \$15b infrastructure boom

\$1.4b Waterfront Precinct (opening early next decade)	\$944m Brisbane Metro (opening early 2020s)
\$1.3b Brisbane Airport's new runway (opening 2020)	\$200m Howard Smith Wharves redevelopment (opening later this year)
\$1.1b Herston Quarter medical precinct (opening early 2020s)	\$158m Brisbane International Cruise Ship Terminal (opening mid-2020)
\$1b West Village development in West End (opening 2020)	



fund about half of it through a public-private partnership. Former Queensland Reconstruction Authority boss Graeme Newton is leading the delivery of the 10.2-kilometre project, including a 5.9-kilometre twin tunnel under the Brisbane river and CBD.

Consortiums are already bidding for the rail and integrated system alliance contract, which is due by the end of this month, with bids for the PPP due in the first week of October.

The Palaszczuk government is using the Cross River Rail to undertake redevelopment in Woolloongabba in

Brisbane's south and the Roma Street transit station, which they are hoping to turn into a 17,000-seat entertainment stadium. The Brisbane City Council's \$944 million Metro project will also link with the Cross River Rail.

The Queen's Wharf integrated resort and casino, which takes over a significant portion of the CBD near the parliamentary precinct, is already under construction and is expected to completely transform the north bank of the Brisbane.

It will bring five-star hotels and top-end restaurants to lure more tourists to

the city, which is often overlooked for the Gold Coast or Cairns.

Brisbane Airport's new runway, a big urban regeneration project in West End, the biomedical precinct in Herston as well as new hotels and restaurants at the Howard Street Wharves and near Waterfront Place in the CBD had also added to the sense of optimism about things turning around.

If the "missing link" of the \$10 billion Melbourne to Brisbane Inland Rail – from Acacia Ridge to the Port of Brisbane, which could cost up to \$3 billion and is under investigation – is included,

the infrastructure projects in Brisbane could reach closer to \$20 billion.

Infrastructure Association of Queensland chief executive Steve Abson said there was a sense of relief from the infrastructure and construction sector that projects that had been on the drawing board for years were finally coming to fruition.

"Cross River Rail had a gestation period of seven to eight years and was the state's No.1 infrastructure project

The Queen's Wharf integrated resort and casino is already under construction.

and never got off the ground, so there is a big sense of relief," Mr Abson said.

But Mr Abson warned there was a growing skills shortage as employers attempt to lure back workers who headed down to big projects in Sydney and Melbourne after the GFC.

"But what brings people back are long-term projects like Cross River Rail and Brisbane Metro, which are fully funded and provides people with job security and family security to up stumps and come back again."

Infrastructure Minister Cameron Dick said the resurgence in infrastructure projects in Brisbane was reflected in increased business confidence in the city.

"These infrastructure projects, not just in Brisbane, but throughout Queensland will help us attract and retain a highly skilled and capable construction workforce and continue creating jobs for Queenslanders," Mr Dick said.