

# Property & Infrastructure

## FedBud Fast Facts

Take the lead

25 October 2022

### Key takeaways

#### Infrastructure investment

- Confirming \$120bn pipeline of investment in transport infrastructure committed over the next 10 years
- New \$8.1bn over 10 years from 2022/2023 for priority rail and road projects including notable projects such as:
  - \$2.2b Suburban Rail Loop East in Victoria
  - \$866.4m Bruce Highway in QLD
  - \$500m corridor acquisition for Sydney to Newcastle High Speed Rail

#### Cancelled and deferred infrastructure projects

- Cancelled a number of infrastructure projects including \$5.4b Hells Gates Dam in Queensland.
- Deferred \$6.5b projects beyond forward estimates

#### Social and affordable housing focus:

- Investment of \$10b to establish Housing Australia Future Fund. Earnings from the Fund over 5 years are committed to deliver 30,000 social and affordable homes
- \$330m over 5 years for acute housing needs of which \$200m dedicated to remote Indigenous communities, \$100m for crisis accommodation for women and children fleeing domestic violence and \$30m for veteran housing

#### Housing Accord

- Establishment of Housing Accord, an investor roundtable designed to identify and unlock investment opportunities, facilitate institutional investment in affordable homes to assist with an aspirational target of delivering 1m homes over 10 years

- Under the Accord the Government has committed a further \$350m over 5 years from 2024/2025 to support funding to deliver 10,000 affordable homes

#### Other

- FIRB fees and penalties to double
- Defunding of the Australian Building and Construction Commission

#### Opportunities

Housing Accord is an aspirational budget measure focussing on increasing housing over 5 years. Various key stakeholders in the property investment sector will be invited to participate and contribute to addressing:

- barriers to investment within the housing sector
- improving revenue streams and investor confidence in the project pipeline to meet risk and return preferences; and
- identifying partnership opportunities for government co-investment.

#### Did the Budget open doors?

As a new government, they have identified some critical issues, but have not provided solutions just yet. By involving the key stakeholders to be part of the conversation, this appears to be a good step to opening the right doors in many areas.

The sector is also looking for tax reform and there were no announcements on this.

### Our review



3/5 – Not enough in the detail

*Big promises, but will they deliver?  
Relying on major support from  
institutional investment including  
superannuation funds.*



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