



Australian Academy of Technological Sciences and Engineering

Level 1, 1 Bowen Crescent, Melbourne Vic 3004

GPO Box 4055, Melbourne, Vic 3001, Australia

T+61 3 9864 0900 F+61 3 9864 0930 www.atse.org.au

Australian Academy of Technological Sciences and Engineering Limited – Incorporated ACT ACN 008 520 394 ABN 58 008 520 394

President

Dr Alan Finkel AO FTSE

Mr Gary Dolman

Head, Bureau of Infrastructure, Transport and Regional Economics

Department of Infrastructure and Regional Development

GPO Box 594

Canberra ACT 2601

03 October 2014

Dear Mr Dolman,

**ATSE Submission to the Bureau of Infrastructure, Transport and Regional Economics
Overview of Project Appraisal paper**

On behalf of the Australian Academy of Technological Sciences and Engineering (ATSE) I commend the *Overview of Project Appraisal* paper prepared by the Bureau of Infrastructure, Transport and Regional Economics, in consultation with state and territory governments. The Academy welcomes this opportunity to support the general vision of the paper, provide a few general comments on the consultation paper and offer ATSE's ongoing support in any further developments.

The joint ATSE and Infrastructure Australia international workshop held in 2013 highlighted several points that are consistent with this document, which are outlined in the attached resulting report, *Infrastructure Planning: Towards Best Practice*. ATSE believes that effective infrastructure planning and investment is essential to meet the challenges of improving productivity, managing demographic change, delivering enhanced sustainable outcomes and addressing pressures on government budgets.

ATSE is particularly supportive of the opening statement of the paper:

"CBA sits within a broader planning and appraisal framework designed to ensure that projects:

- Flow from good strategic-level planning and assessment*
- Are closely aligned with high-level national, state and territory goals*
- Are aimed at addressing priority problems that are preventing goals from being achieved, and*
- Adopt the best solution, based on a sound assessment of a wide range of potential options for solving the identified problems"*

ATSE emphasises the need for cost benefit analyses to capture the costs and benefits accruing from large infrastructure projects as fully as possible. For example, privately owned assets within a certain radius of a particular project may increase in value as a result of proximity to that project. Current CBA approaches do not always capture this benefit. We would recommend that the consultation paper reflect this objective.

If you have any queries, please contact Sarah Parker (Research and Policy Officer) on (03) 9864 0914 or via email at sarah.parker@atse.org.au.

Yours sincerely,

Alan Finkel

Attachment:

1. ATSE-IA Workshop Communique: *Infrastructure Planning: Towards Best Practice*

Enhancing Australia's prosperity through technological innovation