

# Putting the Plan into action

Australian Infrastructure Plan

February 2016

The Australian Infrastructure Plan identifies a three-tiered approach to drive implementation of the key reforms identified in the Plan.



The Australian Infrastructure Plan outlines a program of reforms that will improve national productivity and enhance our quality of life, but the Plan's reforms are only as good as the leadership and actions that follow.



A number of reforms identified within the document are, by their nature, complex. They will require considerable change in the way institutions function.



While the delivery of the Plan's recommendations will result in national benefits, the majority of complex change will be required at the state, territory and local levels of government.



## Implementation Framework

The Australian Government should leverage its investment in infrastructure to drive the delivery of the Plan. The Australian Government already makes payments to state and territory governments through funding for nationally significant infrastructure. These payments are usually tied to specific projects, but requirements to meet wider policy outcomes are generally limited. The Plan outlines a three-tiered approach to drive reform.

- **National Governance Principles:**  
Infrastructure Australia will develop *National Governance Principles*, which will outline best practice planning and decision-making processes for infrastructure projects. The Australian Government should drive compliance with these Principles by making project funding contingent on adherence to the Principles.
- **Project-specific conditions:**  
To ensure the public benefits of a project are maximised, the Australian Government should make project funding conditional on meeting specified outcomes. Examples of these conditions may include the application of user charging mechanisms, the delivery of wider land-use outcomes, or a requirement to meet sustainability outcomes. While this is currently undertaken to an extent through National Partnership Agreements, there is scope to make project-specific conditions substantially more effective in driving change.
- **Infrastructure Reform Incentives:**  
The Australian Government should use its funding position to drive the implementation of wider reforms not specifically related to a project. Through *Infrastructure Reform Incentives*, the Australian Government would encourage reforms by providing additional infrastructure investment – above existing projected allocations – in return for delivery of agreed reforms, as outlined in the Plan.