



ESSENTIAL ECONOMICS

Interface Councils Economic Scorecard

2012/13

DRAFT

Prepared for

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1.1 Funding Scorecard

Key Points

- Interface Councils allocated \$1.192 billion (over 4 years) in capital investment for key priority areas
- Majority of investment (\$968 million or 81%) focused on public transport (note, \$560 million allocated to South Morang Rail Extension project)
- Relatively small investments made in other priority areas – schools (\$105 million), special education (\$28 million), health (\$72) million, TAFE (\$26 million), early childhood/kinder (\$9m)
- No budget investment was made in aged care (note, the State Government has only a small funding responsibility in this area)

Refer to Table 1.1

Table 1.1 State Capital Investment by Priority Area 2012/13 (Four-Year Budget Cycle Allocation)

	Interface Councils		Non-Interface Metropolitan Melbourne Councils		Regional Councils		Statewide/Unallocated /Location non-specific		Total Victoria	
	Projects	Total Estimated Investment	Projects	Total Estimated Investment	Projects	Total Estimated Investment	Projects	Total Estimated Investment	Projects	Total Estimated Investment
Early Childhood/Kindergarten*	19	\$9.2m	43	\$16.4m	35	\$14.7m	TBC	\$36.0m	97	\$76.30
Primary schools	3	\$12.7m	18	\$41.1m	5	\$13.5m	0	0	26	\$67.30
Secondary/All Ages schools	10	\$76.6m	12	\$82.7m	20	\$159.0m	5	\$86.4m	47	\$404.70
Special Education	3	\$27.8m	10	\$74.1m	3	\$13.0m	1	\$1.7m	17	\$116.60
TAFE	1	\$26.0m	3	\$102.2m	5	\$43.1m	4	\$105.4m	13	\$276.70
Health	6	\$71.7m	22	\$957.6m	23	\$1,154.3m	6	\$82.2m	57	\$2,265.80
Aged Care	0	0	0	0	3	\$37.9m	0	0	3	\$37.90
Library**	1	\$0.4m	9	\$3.4m	12	\$1.7m	0	0	22	\$5.50
Public Transport	7	\$968.4m	11	\$1,213.4m	12	\$1,484.4m	18	\$3,491.8m	48	\$7,158.00
Total	50	\$1,192.8m	128	\$2,490.9m	118	\$2,921.6m	34	\$3,803.5m	330	\$10,408.80

Source: Victorian Budget Papers 2012/13

Note: Figures rounded

*Post Budget capital grants funding announced to the value of \$76 million (\$40 million allocated grants; \$36 million part of current grant application round)

**Post Budget capital grants announced to the value of \$5.5 million as part of allocated "Living Libraries Infrastructure Fund"

1.2 Budget Cyclical Interface Funding Estimates v Estimated Interface Requirements

Key Points

- Over the current 4-year budget period it is estimated investment of \$2.53 billion is required for critical infrastructure in the Interface (refer to “*One Melbourne or Two*’ report; Essential Economics 2011). Note the majority of funding is a State responsibility, funding support is also required from the Federal Government and Councils, while some infrastructure will be provided by the private sector
- State funding over the 4 years represents approximately 47% (or \$1.19 billion) of this requirement; therefore, a further \$1.33 billion in investment is required from non-State funding sources to meet the identified needs of Interface communities over this period.
- If funding investment of \$1.33 was not provided from other sources, this would potentially lead to a significant undersupply (or lag in provision) in local service areas such as primary schools, TAFE campuses, hospitals, aged care facilities etc, as well as in the critical infrastructure required to support higher levels of public transport usage by interface residents.

Refer to Table 1.2

Table 1.2 Budget Cyclical Interface Funding Estimates v Estimated Interface Requirements

	<u>Estimated 4-Year State Funding Total Estimated Investment</u>	<u>Estimated 4-Year Requirement (All funding sources)</u>	<u>Funding Surplus /Deficit (All funding sources)</u>	<u>Main Funding Sources</u>	<u>Potential Under provision (if estimated required funding from all sources is not secured)</u>
Early Childhood/Kindergarten*	\$9.2m	\$20.8m	-\$12.4m (note, further annual grants are available over the 4-year cycle)	State / Federal	TBC
Primary schools	\$12.7m	\$180.4m	-\$167.70	State / Private Sector	78 primary schools / 19,520 places
Secondary/All Ages schools	\$76.6m	\$96.5m	-\$19.90	State / Private Sector	3-4 secondary schools / 2,220 places
Special Education	\$27.8m	\$0m	\$27.80	State	n/a
TAFE	\$26.0m	\$94.8	-\$68.80	State	2 TAFE campuses / 11,610 places
Health	\$71.7m	\$288.3	-\$216.60	State / Private Sector	6-7 hospitals / 510 beds
Aged Care	0	\$405.6	-\$405.60	Federal / Private Sector / Not for Profit Organisations	50 aged care facilities / 3,000 beds
Library**	\$0.4m	\$5.2	-\$4.8m (note, further annual grants are available over the 4-year cycle)	State/ Local Government	TBC
Public Transport	\$968.4m	\$1,440.0	-\$471.60	State / Federal	Unable to cater for 9,320 new public service users
Total	\$1,192.80	\$2,531.60	-\$1,334.80		

Source: Victorian Budget Papers 2012/13; One Melbourne or Two – Implications of Population Growth for Infrastructure and Services in Interface Area, Essential Economics 2011

Note: Figures rounded

*Post Budget capital grants funding announced to the value of \$76 million (\$40 million allocated grants; \$36 million part of current grant application round)

**Post Budget capital grants announced to the value of \$5.5 million as part of the “Living Libraries Infrastructure Fund”

1.3 Budget Funding Equity Scorecard

Key Points

- Interface Council's accommodate approximately 24% of the Victoria's population, and have been responsible for 44% of population growth over the 2006-11 period.
- Interface Council areas received 18% of total allocated investment in 2012/13 budget (over 4 years), this compares to 38% funding for Non-Interface Metropolitan Melbourne Council areas (which accommodate 50% of the State's population and have been responsible for 46% of Victoria's population growth over the past five years) and 44% funding for Regional Council areas (which 26% of Victoria's population and have been responsible for 11% of Victoria's population growth over the past five years).
- Interface Councils were allocated approximately a quarter of State capital investment funding for the following categories: early childhoods/kindergarten (23%); secondary/all ages schools (24%); special education (24%) and public transport (26%)
- Just 3% of State health funding was directed towards interface Council areas, and this contrast to 44% of funding for Non-Interface Metropolitan Melbourne Council areas and 53% for Regional Council areas.
- Interface Council areas were allocated 15% of State TAFE capital funding, compared to 60% for Non-Interface Metropolitan Melbourne Council areas and 25% for Regional Council areas.

Refer to Table 1.3

Table 1.3 Budget Funding Equity Scorecard (allocated funding only)

	Interface		Balance of Metro		Regional	
	<u>% of State Projects</u>	<u>% of State Total Estimated Investment</u>	<u>% of State Projects</u>	<u>% of State Total Estimated Investment</u>	<u>% of State Projects</u>	<u>% of State Total Estimated Investment</u>
	Kindergarten*	20%	23%	44%	41%	36%
Primary	12%	19%	69%	61%	19%	20%
Secondary/All Ages	24%	24%	29%	26%	48%	50%
Special Education	19%	24%	63%	64%	19%	11%
TAFE	11%	15%	33%	60%	56%	25%
Health	12%	3%	43%	44%	45%	53%
Aged Care	0%	0%	0%	0%	100%	100%
Library**	5%	7%	41%	62%	55%	31%
Public Transport	23%	26%	37%	33%	40%	40%
Total	17%	18%	43%	38%	40%	44%
Population Share (2011)	24%		50%		26%	
Share of Population Growth 2006-11	44%		46%		11%	

Source: Victorian Budget Papers 2012/13

Note: Figures rounded

*Post Budget capital grants funding announced to the value of \$76 million

**Post Budget capital grants announced to the value of \$5.5 million as part of the “Living Libraries Infrastructure Fund”

1.4 Economic Development Scorecard

Key points

- The unemployment rate in Interface Council areas (5.8%) remains higher than the rates for Non-Interface Metropolitan Councils (5.0%) and Regional Victoria (5.3%)
- Local job provision in Interface Council areas (0.55 jobs per labour force participant) is considerably lower compared to job provision in Non-Interface Metropolitan Councils (1.01 jobs per labour force participant) and Regional Victoria (0.85 jobs per labour force participant)
- In 2011, Interface Councils secured 30% of new building investment across the State which equated to \$5.4 billion. However, the main focus of this investment was domestic dwelling construction (\$4.1 billion or 76% of all investment),
- Interface Council areas secured a relatively small proportion of State investment in the areas of hospital/healthcare (17%), public buildings (20%) and industrial facilities (23%). Shares of State commercial and retail investment were higher at 31% and 36% respectively.

Refer to Table 1.4

Table 1.4 Economic Development Scorecard

	Interface Councils	Non-Interface Metropolitan Councils	Regional Councils
Employment			
Unemployment Rate (March 2012)	5.8%	5.0%	5.3%
Employment Self-Sufficiency Rate (2006)	0.55 jobs provided per labour force participant	1.01 jobs provided 1.02 per labour force participant	0.85 jobs provided per labour force participant
New Building Investment (2011)			
Domestic (value)	\$4,137m	\$3,238m	\$2,994m
%	40%	31%	29%
Residential (value)	\$103m	\$3,202m	\$108m
%	3%	94%	3%
Commercial (value)	\$538m	\$968m	\$233m
%	31%	56%	13%
Hospital/Healthcare (value)	\$32m	\$106m	\$47m
%	17%	57%	25%
Industrial (value)	\$85m	\$176m	\$115m
%	23%	47%	31%
Public Buildings (value)	\$283m	\$797m	\$355m
%	20%	56%	25%
Retail (value)	\$246m	\$332m	\$107m
%	36%	48%	22%
Total (all)	\$5,424m	\$8,819m	\$3,959m
	30%	48%	22%

Source: ABS Journey to Work (2006), DEEWR Small Area Labour Markets (March 2012); Building Commission of Victoria –Pulse database; Essential Economics

Note: Figures rounded

1.5 Early Childhood/Kindergarten Funding Scorecard

Table 1.5 Early Childhood/Kindergarten Funding Scorecard (allocated funding only)

LGA	Number of New and Existing Projects	Investment from Existing Projects (2011/12 Grants Round)
Cardinia	2	\$1,769,580
Casey	0	0
Hume	3	\$1,669,000
Melton	3	\$2,100,000
Mitchell	0	0
Mornington Peninsula	3	\$675,500
Nillumbik	0	0
Whittlesea	4	\$1,200,000
Wyndham	4	\$1,804,426
Yarra Ranges	0	0
Total	19	\$9,218,506

Source: Victorian Budget Papers 2012/13

Note: Post budget Department of Children and Early Childhood Development has allocated \$76 million in capital funding for kindergartens/integrated children's centres.

Projects

Cardinia

- Henry Road East Integrated Children's Centre (Pakenham)
- Little Saints Early Learning Centre (Pakenham)

Hume

- Epping Preschool
- Newbury Child and Community Centre (Craigieburn)
- Sunningdale Avenue Children's Centre (Sunbury)

Melton

- Botanica Springs Children's & Community Centre (Melton)
- Kororoit Creek Early Learning Centre (Burnside Heights)

- Parkwood Green Children’s and Community Centre (Hillside)

Mornington Peninsula

- Balcombe Preschool (Mount Martha)
- Baxter Preschool
- Somerville Preschool

Whittlesea

- Mernda Villages Kindergarten
- Blossom Park Kindergarten (Mill Park)
- The Heights Kindergarten (Mill Park)
- South Morang Preschool-Mill Park Lakes (South Morang)

Wyndham

- Alamanda Early Years Centre (Point Cook)
- Jamieson Way Kindergarten (Pakenham)
- Quantin Binnah Community Centre Inc (Werribee)
- Tarneit Kindergarten

1.6 Primary School Funding Scorecard

Table 1.6 Primary School Funding Scorecard (allocated funding only)

LGA	Number of New and Existing Projects	Investment to 30.06.12 from Existing Projects	Planned Investment in Current FY (2012-13)	Planned Investment in Future Years	Total Estimated Investment
Cardinia	0	0	0	0	0
Casey	0	0	0	0	0
Hume	0	0	0	0	0
Melton	0	0	0	0	0
Mitchell	0	0	0	0	0
Mornington Peninsula	1	0	\$190,000	0	\$190,000
Nillumbik	0	0	0	0	0
Whittlesea	1	0	\$595,000	\$9,405,000	\$10,000,000
Wyndham	0	0	0	0	0
Yarra Ranges	1	0	\$500,000	\$2,000,000	\$2,500,000
Total	3	0	\$1,285,000	\$11,405,000	\$12,690,000

Source: Victorian Budget Papers 2012/13

Note: Figures rounded

Projects

Mornington Peninsula

- Rosebud Primary School – Planning (Rosebud)

Whittlesea

- Doreen South Primary School – New school – Construct new primary school including classrooms, music, art, gymnasium, administration and amenities (Doreen). This school is located in the City of Whittlesea but Nillumbik residents will also benefit.

Yarra Ranges

- Wandin Yallock Primary School – Modernisation – Construction of new learning areas, and refurbishment of administration and amenities – Stage 2 (Wandin North)

1.7 Secondary School Funding Scorecard

Table 1.7 Secondary School Funding Scorecard (allocated funding only)

LGA	Number of New and Existing Projects	Investment to 30.06.12 from Existing Projects	Planned Investment in Current FY (2012-13)	Planned Investment in Future Years	Total Estimated Investment
Cardinia	2	0	\$1,855,000	\$695,000	\$2,550,000
Casey	0	0	0	0	0
Hume	0	0	0	0	0
Melton	0	0	0	0	0
Mitchell	2	\$3,154,000	\$7,859,000	0	\$11,013,000
Mornington Peninsula	0	0	0	0	0
Nillumbik	0	0	0	0	0
Whittlesea	0	0	0	0	0
Wyndham	4	\$8,342,000	\$21,490,000	\$13,168,000	\$43,000,000
Yarra Ranges	2	\$13,919,000	\$6,163,000	0	\$20,082,000
Total	10	\$25,415,000	\$37,367,000	\$13,863,000	\$76,645,000

Source: Victorian Budget Papers 2012/13

Note: Figures rounded

Projects

Cardinia

- Koo Wee Rup Secondary College – Planning (Koo Wee Rup)
- Officer Secondary College – New school – Planning (Officer)

Mitchell

- Seymour P–12 College – Regeneration – Continuation of major redevelopment of school facilities (Seymour)
- Seymour regeneration – Regeneration – Seymour Primary School, Seymour East Primary School, Seymour Special School and Seymour Technical High School – Stage 1 (Seymour)

Wyndham

- Galvin Park Secondary College – Modernisation – Refurbishment and enhancement of school facilities (Werribee)
- Manor Lakes P–12 Specialist College – New Schools in Growth Corridors – Continued development of new school(Wyndham Vale)

- Point Cook South-East P–9 – New School – Construction of new P–9 school – Stage 1 (Point Cook)
- Tarneit Central P–9 – New School – Construction of new P–9 school – Stage 1 (Tarneit)

Yarra Ranges

- Healesville High School – Modernisation – New classrooms, administration, library and specialist facilities (Healesville)
- Pembroke Secondary College – Modernisation – Redevelopment including new classrooms, specialist facilities, canteen and amenities – Stage 2 (Mooroolbark) (b)

Notes

*In addition to these items, the Budget also allocates \$20.3m for "Land Acquisitions at Connewarre School Precinct, Cranbourne South West, Epping North, Derinya." As the breakdown of this funding is not further specified, the investment has been counted as Statewide.

*\$4m of TEI is allocated to Laverton P–12 College – Regeneration stage 3 – including construction of new gymnasium, completion of external works and demolition to enable construction of co-located autistic facility. This item is allocated to Balance of Metro because the site is located in Hobson's Bay; however Wyndham residents will also benefit.

1.8 Special Education Funding Scorecard

Table 1.8 Special Education Funding Scorecard (allocated funding only)

LGA	Number of New and Existing Projects	Investment to 30.06.12 from Existing Projects	Planned Investment in Current FY (2012-13)	Planned Investment in Future Years	Total Estimated Investment
Cardinia	1	\$891,000	\$13,009,000	\$1,100,000	\$15,000,000
Casey	0	0	0	0	0
Hume	2	\$3,813,000	\$9,005,000	0	\$12,818,000
Melton	0	0	0	0	0
Mitchell	0	0	0	0	0
Mornington Peninsula	0	0	0	0	0
Nillumbik	0	0	0	0	0
Whittlesea	0	0	0	0	0
Wyndham	0	0	0	0	0
Yarra Ranges	0	0	0	0	0
Total	3	\$4,704,000	\$22,014,000	\$1,100,000	\$27,818,000

Source: Victorian Budget Papers 2012/13

Note: Figures rounded

Projects

Cardinia

- Officer Special School – New School – New special school construction (Officer)

Hume

- Broadmeadows Special Developmental School – Regeneration – Completion of school redevelopment (Broadmeadows)
- Hume Valley School – Regeneration – Completion of redevelopment of facilities including performing arts (Broadmeadows)

Notes

* The Western region autistic facility, a P–12 autistic school, will be co-located at Laverton P–12 College site. The site is in Hobson's Bay and counted under Balance of Metro, however Wyndham residents will also benefit.

1.9 TAFE Funding Scorecard

Table 1.9 TAFE Funding Scorecard (allocated funding only)

LGA	Number of New and Existing Projects	Investment to 30.06.12 from Existing Projects	Planned Investment in Current FY (2012-13)	Planned Investment in Future Years	Total Estimated Investment
Cardinia	0	0	0	0	0
Casey	1	\$500,000	\$8,500,000	\$17,000,000	\$26,000,000
Hume	0	0	0	0	0
Melton	0	0	0	0	0
Mitchell	0	0	0	0	0
Mornington Peninsula	0	0	0	0	0
Nillumbik	0	0	0	0	0
Whittlesea	0	0	0	0	0
Wyndham	0	0	0	0	0
Yarra Ranges	0	0	0	0	0
Total	1	\$500,000	\$8,500,000	\$17,000,000	\$26,000,000

Source: Victorian Budget Papers 2012/13

Note: Figures rounded

Projects

Casey

- Chisholm Institute of TAFE – New facility – Berwick Trade Careers Centre (Berwick)

Notes

The Budget allocates \$1.25 million to the Kangan Institute of TAFE for 'Greener Government Buildings' at 'various' locations. Although Hume is one of six Kangan locations, the breakdown of funding is not specified, so the investment is shown under Statewide.

1.10 Health Funding Scorecard

Table 1.10 Health Funding Scorecard (allocated funding only)

LGA	Number of New and Existing Projects	Investment to 30.06.12 from Existing Projects	Planned Investment in Current FY (2012-13)	Planned Investment in Future Years	Total Estimated Investment
Cardinia	0	0	0	0	0
Casey	1	\$250,000	\$750,000	0	\$1,000,000
Hume	0	0	0	0	0
Melton	0	0	0	0	0
Mitchell	2	0	\$2,200,000	\$19,800,000	\$22,000,000
Mornington Peninsula	0	0	0	0	0
Nillumbik	0	0	0	0	0
Whittlesea	1	\$2,450,000	\$9,790,000	\$12,240,000	\$24,480,000
Wyndham	0	0	0	0	0
Yarra Ranges	1	\$1,710,000	\$1,290,000	0	\$3,000,000
Non-specified Interface	1	\$3,002,000	\$11,545,000	\$6,684,000	\$21,231,000
Total	7	\$7,412,000	\$25,575,000	\$38,724,000	\$71,711,000

Source: Victorian Budget Papers 2012/13

Note: Figures rounded

Projects

Casey

- Casey Hospital expansion – planning and development (Berwick)

Mitchell

- Kilmore and District Hospital –Redevelopment (Kilmore)
- Seymour Hospital chemotherapy chairs (Seymour)

Whittlesea

- Northern Hospital emergency department expansion (Epping)

Yarra Ranges

- Healesville Hospital – Upgrade (Healesville)

Non-specified 'Outer Metro'

- Improving ambulance service delivery – Outer metropolitan Melbourne (metro)

1.11 Aged Care Funding Scorecard

Table 1.11 Aged Care Funding Scorecard (allocated funding only)

LGA	Number of New and Existing Projects	Investment to 30.06.12 from Existing Projects	Planned Investment in Current FY (2012-13)	Planned Investment in Future Years	Total Estimated Investment
Cardinia	0	0	0	0	0
Casey	0	0	0	0	0
Hume	0	0	0	0	0
Melton	0	0	0	0	0
Mitchell	0	0	0	0	0
Mornington Peninsula	0	0	0	0	0
Nillumbik	0	0	0	0	0
Whittlesea	0	0	0	0	0
Wyndham	0	0	0	0	0
Yarra Ranges	0	0	0	0	0
Total	0	0	0	0	0

Source: Victorian Budget Papers 2012/13

Note: Figures rounded

1.12 Public Libraries Funding Scorecard

Table 1.12 Public Libraries Funding Scorecard (allocated funding only)

LGA	Number of New and Existing Projects	Investment from Existing Projects (2011/12 Grants Round)
Cardinia	0	0
Casey	0	0
Hume	0	0
Melton	0	0
Mitchell	0	0
Mornington Peninsula	0	0
Nillumbik	0	0
Whittlesea	1	\$400,000
Wyndham	0	0
Yarra Ranges	0	0
Total	1	\$400,000

Source: Victorian Budget Papers 2012/13

Note: **Post Budget capital grants announced to the value of \$5.5 million as part of the "Living Libraries Infrastructure Fund"

1.13 Public Transport Funding Scorecard

Table 1.13 Public Transport Funding Scorecard (allocated funding only)

LGA	Number of New and Existing Projects	Investment to 30.06.12 from Existing Projects	Planned Investment in Current FY (2012-13)	Planned Investment in Future Years	Total Estimated Investment
Cardinia	1	\$500,000	\$800,000	0	\$1,300,000
Casey	1	\$350,000	\$250,000	0	\$600,000
Hume	1	\$178,713,000	\$15,787,000	0	\$194,500,000
Melton	0	0	0	0	0
Mitchell	0	0	0	0	0
Mornington Peninsula	1	\$200,000	\$250,000	0	\$450,000
Nillumbik	0	0	0	0	0
Whittlesea	1	\$496,508,000	\$62,592,000	0	\$559,100,000
Wyndham	1	\$13,545,000	\$6,356,000	\$4,099,000	\$24,000,000
Yarra Ranges	0	0	0	0	0
Non-specified Interface	1	\$132,300,000	\$56,200,000	0	\$188,500,000
Total	7	\$822,116,000	\$142,235,000	\$4,099,000	\$968,450,000

Source: Victorian Budget Papers 2012/13

Note: Figures rounded

Projects

Cardinia

- Beaconsfield Railway Station car park (Beaconsfield)

Casey

- Additional Car Parking at Merinda Park and Narre Warren Stations (Narre Warren)

Hume

- Sunbury electrification (metro various)

Mornington Peninsula

- Construction of Mornington bus interchange (Mornington)

Whittlesea

- South Morang rail extension (metro various)

Wyndham

- Palmers Road/rail overpass (Williams Landing)

Non-specified Interface

- New stations in growth areas (metro various)

1.14 Interface Council Funding Scorecard

Table 1.14 Interface Council Funding Scorecard (allocated funding only)

LGA	Number of New and Existing Projects	Investment to 30.06.12 from Existing Projects	Planned Investment in Current FY (2012-13)	Planned Investment in Future Years	Total Estimated Investment
Cardinia	6	\$3,160,580	\$15,664,000	\$1,795,000	\$20,619,580
Casey	3	\$1,100,000	\$9,500,000	\$17,000,000	\$27,600,000
Hume	6	\$184,195,000	\$24,792,000	\$0	\$208,987,000
Melton	3	\$2,100,000	\$0	\$0	\$2,100,000
Mitchell	4	\$3,154,000	\$10,059,000	\$19,800,000	\$33,013,000
Mornington Peninsula	5	\$875,500	\$440,000	\$0	\$1,315,500
Nillumbik	0	\$0	\$0	\$0	\$0
Whittlesea	8	\$500,558,000	\$72,977,000	\$21,645,000	\$595,180,000
Wyndham	9	\$23,691,426	\$27,846,000	\$17,267,000	\$68,804,426
Yarra Ranges	4	\$15,629,000	\$7,953,000	\$2,000,000	\$25,582,000
Non-specified Interface	2	\$135,302,000	\$67,745,000	\$6,684,000	\$209,731,000
Total	50	\$869,765,506	\$236,976,000	\$86,191,000	\$1,192,932,506

Source: Victorian Budget Papers 2012/13

Note: Includes post Budget capital grants funding for the Interface announced: \$9.2 million (for early childhood/kindergarten) and \$0.4m (for public libraries). This data is not included in Table 1.13.

1.15 Conclusions

The following conclusions can be drawn from the above analysis:

- 1 Interface Councils have been allocated \$1.192 billion (over 4 years) in capital investment in the State budget and in subsequent capital funding announcements.
- 2 The majority of this investment (\$968 million or 81%) is focused on public transport – a considerable proportion associated with the South Morang Rail Extension project (\$560 million).
- 3 In contrast, relatively small State investment has been made in other priority areas such as schools (\$105 million), special education (\$28 million), health (\$72) million, TAFE (\$26 million), early childhood/kinder (\$9m).
- 4 Over the current 4-year budget period it is estimated investment of \$2.53 billion is required for critical infrastructure in the Interface, with the majority of funding a State responsibility. Funding support is also required from the Federal Government and Councils, while some infrastructure will be provided by the private sector
- 5 In this context, the 4-year State capital funding allocation announced in the Budget (and subsequent announcements) represents 47% of the identified requirement. A further \$1.33 billion in investment is required from non-State funding sources to meet the identified needs of Interface communities over this period.
- 6 If adequate capital funding investment is not secured (from all sourced), this will lead to a significant undersupply (or lag in provision) in key local services (such as primary schools, TAFE campuses, hospitals, aged care facilities, and public transport.
- 7 Interface Council's accommodate approximately 24% of the Victoria's population, and have been responsible for 44% of population growth over the 2006-11 period.
- 8 However, Interface Council areas received just 18% of total allocated investment in 2012/13 budget (and subsequent announcements). This compares to 38% funding for Non-Interface Metropolitan Melbourne Council areas and 44% funding for Regional Council areas, both experiencing much lower population growth rates compared to Interface Council area.
- 9 Interface Councils were allocated approximately a quarter of State capital investment funding for the following categories: early childhoods/kindergarten (23%); secondary/all ages schools (24%); special education (24%) and public transport (26%).
- 10 However, only 3% of State health funding was directed towards interface Council areas (compared to 44% for Non-Interface Metropolitan Melbourne Council areas and 53% for Regional Council areas); while Interface Council areas were allocated just 15% of State TAFE capital funding, (compared to 60% for Non-Interface Metropolitan Melbourne Council areas and 25% for Regional Council areas).
- 11 The unemployment rate in Interface Council areas (5.8%) remains higher than the rates for Non-Interface Metropolitan Councils (5.0%) and Regional Victoria (5.3%); while local job provision is low (0.55 jobs per labour force participant) compared to job provision in Non-Interface Metropolitan Councils (1.01 jobs per labour force participant) and Regional Victoria (0.85 jobs per labour force participant)
- 12 In 2011, Interface Councils secured 30% of new building investment across the State which equated to \$5.4 billion. However, the main focus of this investment was domestic dwelling construction (\$4.1 billion or 76% of all investment). Interface Council areas secured a relatively small proportion of State investment in the areas of hospital/healthcare (17%), public buildings (20%) and industrial facilities (23%). Shares of State commercial and retail investment were higher at 31% and 36% respectively.