



New South Wales
TREASURY

Rachel Simpson
Director
Joint Select Committee on the Cross City Tunnel
Parliament of New South Wales
Parliament House
Macquarie Street
Sydney NSW 2000

Contact: Danny Graham
Telephone: (02) 9228 3213
Our Reference:
Your Reference:

JSC CROSS CITY TUNNEL

21 APR 2006

RECEIVED

Dear Ms Simpson

Inquiry into Cross City Tunnel

Thank you for your letter of 5 April 2006 requesting me to confirm the transcript of the evidence given by Treasury to the Committee on 3 April 2006.

On behalf of Mr John Pierce, Mr Danny Graham and myself, please find our amendments to the transcript attached at Tab A.

In regard to the questions on notice:

- please find our response to the question asked by Ms Rhiannon MLC regarding Newcastle Ports at Tab B.
- a list of privately financed projects contracted since the issue of the Working With Government Guidelines for Privately Financed Projects is attached at Tab C.
- our response to "What is the relationship between the Department of Planning's Metropolitan Strategy and Treasury's Strategic Infrastructure Strategy?" is at Tab D.

Please do not hesitate to contact me if you have any queries.

Yours faithfully

Dr Kerry Schott
Executive Director
Private Projects and Asset Management Directorate

14.4.06

CCT Hearing

3 April 2006

Ms Rhiannon MLC's Questions to Treasury

- Considering the "Railing Port Botany's Containers" report predicts 5 percent growth of container traffic out of Port Botany in the future, how does the Government plan to move these containers?"
- What is the planned role for rail in the movement of containers out of Port Botany?
- What studies have been undertaken into the transport of containers out of Port Botany?
- What studies have been made to determine the impact rising oil prices will have on motorway construction in NSW?
 - Have any of these studies resulted in reports being released?
 - What are the names of these report(s)
 - Are these reports available to the public?

Treasury's Response:

- Questions regarding Port Botany are not within the terms of reference for the Joint Select Committee's Inquiry into the Cross-City Tunnel.
- Treasury has not undertaken any studies to determine the impact of rising oil prices on the construction of motorways in NSW.

CCT Hearing 3 April 2006

PFPP contracts awarded after issue of *Working with Government Guidelines*

Project	Estimated Construction Cost	Date of Contract
<p>Long Bay Prison and Forensic Hospitals Re-development of existing prison hospital, construction of a new forensic hospital.</p>	\$124m	Jan 2006
<p>New Schools Project #2 Finance, design, construct and maintain facilities for nine new schools (seven primary schools, one secondary school and one special needs school) in new urban growth areas.</p>	\$87m	Dec 2005
<p>Newcastle Mater Hospital Redevelopment of the Mater Hospital, addition of two radiation therapy bunkers and linear accelerators and construction on the Mater campus of a new mental health facility to replace the James Fletcher hospital in Newcastle.</p>	\$131m	Nov 2005
<p>New Schools Project #1 Finance, design, construct, and maintain facilities for nine new schools in the new urban release areas of metropolitan Sydney. Awarded to Axiom Education: ABN Amro, St Hilliers, Hanson Yuncken, Spotless.</p>	\$87m	March 2003
<p>Cross City Tunnel Comprises twin two-lane 2km tunnels between the Kings Cross Tunnel and Western Distributor, with connections to the Eastern Distributor. Awarded to Cross City Motorway: Deutsche Bank, Bilfinger Berger / Baulderstone Hornibrook.</p>	\$680m	Dec 2002
<p>Western Sydney Orbital A 39km motorway from the intersection of Hume Highway and the M5 at Prestons, to the M2 at West Baulkham Hills. Awarded to WestLink Motorway: Macquarie Bank, Transurban, Leighton Contractors, Abigroup.</p>	\$1,500m	Feb 2003
<p>Alternative Waste Technology Facility This waste processing facility, to be located at the Eastern Creek land-fill site, sorts recyclables, treats compost waste, and converts waste to energy, reducing the amount of household waste going to land-fill. Awarded to Global Renewables (Eastern Creek) Pty Limited.</p>	\$70m	Mar 2003
<p>Lane Cove Tunnel Dual road tunnels under Epping Road, extending from the M2 Motorway to the Gore Hill Freeway. Awarded to Lane Cove Tunnel Consortium: Thiess, John Holland, Transfield Holdings, ABN Amro.</p>	\$1,100m	Dec 2003

Project	Estimated Construction Cost	Date of Contract
Parramatta Transport Interchange Unsolicited proposal from Westfield for the construction of a transport interchange connecting the railway station and Parramatta Westfield Shopping Centre.	\$67.5m	Mar 2004
Chatswood Transport Interchange Delivery of a new public transport interchange at Chatswood, incorporating elevated twin "island" platforms for the North Shore and Epping-Chatswood lines; a rail concourse beneath the platforms; and a new bus and taxi interchange. The concept design for the new interchange also incorporates adjacent retail and overhead residential development opportunities. The project was awarded to CRI Australia Pty Limited (CRI Australia Pty Limited, Barclay Mowlem, CBA, and SBP Developments Pty Ltd).	\$157m	June 2005

PFPs currently in the market

Project	Estimated Construction Cost	Expected Date of Contract
Bonnyrigg Living Communities Project (Social and Affordable Housing) Financing, planning, developing, designing, construction, refurbishment, maintenance and tenancy management of new social and private housing over a 30-year period.	\$450-500m	2006-07
RailCorp Electric Passenger Rollingstock Replacement of RailCorp's fleet of 498 non-air-conditioned electric passenger rolling stock.	At least \$1,500m	2005-06

CCT Inquiry

3 April 2006

Chair's Question to Treasury:

- What is the relationship between the Department of Planning's Metropolitan Strategy and Treasury's State's Infrastructure Strategy?

Treasury's response:

- The State Infrastructure Strategy (SIS) is a 10 year statewide plan compared to the Metropolitan Strategy which is a 25-30 year plan with a Sydney focus. The SIS includes information sourced from:
 - The Metropolitan Strategy and draft regional strategies
 - Total Asset Management Plans for General Government agencies;
 - The Business Plans for Public Trading Enterprises; and
 - The Budget Papers, particularly the Infrastructure Statement.
- The State Infrastructure Strategy (SIS) has two purposes. The first is to identify and explain the main drivers of infrastructure requirements in NSW over the next decade. The second purpose is to identify current and potential infrastructure projects and to discuss their prioritisation, timing and financing. The Strategy must be considered in the context of Budget constraints.
- The SIS will be used by Treasury and the agencies in determining the final list of new projects to commence in the budget year and the need to speed-up or slow-down the allocation of funds to works-in-progress.
- New infrastructure projects must be approved by the Infrastructure and Planning Cabinet Committee and the Budget Committee of Cabinet before proceeding.