



PARLIAMENTARY BUDGET OFFICE

NSW Parliament • Parliament House, Macquarie Street Sydney 2000

Election Costing Request Form

Details of request	
Party:	Australian Labor Party (NSW Branch)
Name of Policy:	Second Harbour Rail Crossing
Date of request:	18 February 2015

Description of policy	
Summary of policy (please attach copies of relevant policy documents):	Deliver the Second Harbour Rail Crossing (Sydney Rapid Transit project) within \$3.4 million already allocated over ten years.
What is the purpose or intention of the policy?	Deliver infrastructure in fiscally responsible, credible and transparent manner.
Has the policy been publicly released yet?	

Your estimated costing of the policy ¹						
	2014/15 \$'000	2015/16 \$'000	2016/17 \$'000	2017/18 \$'000	4 Yr Total \$'000	Other years ² \$'000
Impact on General Government Sector (GGS) net operating result ³	-	-	-	-	-	-
Impact on GGS capital expenditure ⁴	-	-	-	-	-	-
If different from above, impact on total State Sector net financial liabilities ⁵	-	-	-	-	-	-

¹ Amounts should be expressed in nominal dollars. GGS - General Government Sector.

² Please provide information on other years if spending occurs outside the forward estimate years and will be required to cost the policy.

³ Negative for a saving that reduces expenditure

⁴ Negative for a reduction in capital expenditure.

⁵ Only required if proposal is outside GGS. Negative for a reduction in net financial liabilities.

Key assumptions made in the policy	
Does the policy relate to a previous announcement? If yes, which announcement?	<p>Yes – the NSW Government has indicated that \$3.4 billion has been earmarked in the budget for a Second Harbour Crossing project (see NSW Government announcement of 25 November 2014).</p> <p>“With funding now expected to flow from 2016-17 and construction expected to commence in 2017.”</p> <p>“The aim will be to have the full line operational ... by 2024.”</p> <p>“Infrastructure NSW estimates \$10.4 billion as a reasonable mid-range cost.”</p>
What assumptions have been made in deriving the financial impacts in your estimated costing? <i>(See checklist)</i>	Please confirm that the proposed schedule and spending over ten years reflects reasonable assumptions about the rollout of the project. Please also advise of an estimated total project cost consistent with reasonable assumptions about the proposed project rollout.
Is there a range for the costing or any sensitivity analysis that you have undertaken?	No.
Are there associated savings, offsets or expenses? If yes, please provide details.	Existing funding allocated to the Second Harbour Rail Crossing over the forward estimates should be directed to the project being costed to support planning, feasibility, business case preparation and early corridor protection consistent with the existing profile.

Administration of policy	
Intended date of implementation:	Constructions should commence in 2021-22, and be completed in 2029.
Intended duration of policy:	To 2029-30.
Who will administer the policy (e.g. Government entity, non-government organisation, etc.)?	Roads and Maritime Services.
Are there any specific administrative arrangements for the policy that need to be taken into account?	No.
Are there transitional arrangements associated with policy implementation?	..

If the policy is mainly a capital costs⁶ commitment	
Type of work, size and capacity:	Consistent with existing arrangements.
Proposed start and completion date of work:	See <u>Administration of Policy</u> .
Intended construction schedule/cashflow:	..
Offsetting expenditure savings:	See <u>Key Assumptions</u> .
Associated asset sell off (if any):	No. NSW Labor's infrastructure investments will be fully funded without privatising the state's electricity network assets.
On-going maintenance, depreciation and operational expenses:	Consistent with existing arrangements.
Third party funding involvement:	..

⁶ Capital costs differ from expenditure in that only depreciation will be included in the impact on operating balance. The capital cost of the asset to be acquired will however be included in net financial liabilities.