

Election Costing Request Form

Details of request	
Party:	Australian Labor Party (NSW Branch)
Name of Policy:	Restore Labor's M4 Cashback
Date of request:	9 October 2018

Description of policy	
Summary of policy (please attach copies of relevant policy documents and include information on what the policy aims to achieve):	Restore the M4 Cashback consistent with M5 Cashback arrangements
Has the policy been publicly released yet?	

Your estimated costing of the policy ¹						
	2018/19 \$'000	2019/20 \$'000	2020/21 \$'000	2021/22 \$'000	2022/23 and later years ² \$'000	Total \$'000
Impact on GGS expenses						
Impact on GGS revenue						
Impact on General Government Sector (GGS) net operating result ³						
Impact on GGS capital expenditure ⁴						
Impact on GGS net lending/borrowing						

Note: Has the policy been costed by a third party?
If yes, can you provide a copy of this costing and its assumptions?

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 or will assist in public understanding of the policy.

³ Negative for a saving that reduces expenditure

⁴ Negative for a reduction in capital expenditure.

Key assumptions made in the policy	
<p>Does the policy relate to a previous announcement? If yes, which announcement?</p>	
<p>What assumptions have been made in deriving the financial impacts in your estimated costing? <i>(See checklist)</i></p>	<p>The M4 Cashback will cover the widened M4 between Parramatta and Homebush and will operate under the same rules as the M5 Southwest Cashback, including the following:</p> <ul style="list-style-type: none"> • Person is a NSW resident • Vehicle is registered for private, pensioner or charitable use • Registered for Cashback with tolling provider • Paid toll using an electronic tag account • Submitted a claim for a toll incurred no later than 12 months after the end of the quarter in which the toll was paid. <p>GST is not refunded, consistent with M5 Cashback arrangements.</p> <p>The cashback will not apply to other sections of Westconnex.</p> <p>The Widened M4 is a 7.5 km stretch of road between Parramatta and Homebush that was widened to four lanes in each direction as part of Stage 1A of WestConnex. The toll on the Widened M4 was introduced on 15 August 2017 after a one month toll free period.</p> <p>The M4 toll is distance based and made up of a flagfall and cost per kilometre. The toll increases by 4 per cent on 1 January each year. The current (2018) flagfall is \$1.27 and toll per kilometre is \$0.47. The total toll between Parramatta and Homebush is \$4.74.</p> <p>A regular M4 motorists travelling to and from work five days a week for 48 weeks per year will pay \$2,275.20 per year in tolls in 2018. The value of a Labor M4 Cashback to a regular motorist would be \$2,047.68 (GST is not refunded).</p>

Is there a range for the costing or any sensitivity analysis that you have undertaken?	No.
Are there associated savings, offsets or, in the case of a revenue proposal, offsetting expenses? If yes, please provide details.	Please include additional revenue distributed through Sydney Motorway Corporation dividends because of uplift related to the M4 Cashback. Please include savings from a lower spending under the Rego Rebate Scheme.

Administration of policy	
Intended date of implementation:	1 January 2020
Intended duration of policy:	Ongoing.
Who will administer the policy (e.g. Government entity, non-government organisation, etc.)?	The existing M5 Cashback administration will be utilised to avoid any set up costs.
Are there any specific administrative arrangements for the policy that need to be taken into account (e.g. agreements between different levels of government)?	See <u>Assumptions</u> .
Are there transitional arrangements associated with policy implementation?	No.

If the policy is mainly an expenditure⁵ commitment	
Demand driven or a capped amount:	Demand driven.
Eligibility criteria or thresholds:	See <u>Assumptions</u> .

⁵ Expenditure is operating expenses, e.g. salaries, interest cost and grants. Expenditures are fully included in the impact on operating balance.