



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:	<i>A Better Way</i> – Labor’s infrastructure plan
Date of request:	22 March 2015

Description of policy	
Summary of policy (please attach copies of relevant policy documents):	Support the roll-out of Labor’s <i>A Better Way</i> infrastructure capital works program by hypothecating revenue from retaining the Intergovernmental Agreement Taxes and by reallocating funding from Coalition commitments that duplicate or conflict with Labor priorities.
What is the purpose or intention of the policy?	Roll-out Labor’s plan to deliver the state’s infrastructure priorities – without privatising our electricity network.
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?	Yes – announcement by Luke Foley, Michael Daley and Penny Sharpe on 19 February 2015.
What assumptions have been made in deriving the financial impacts in your estimated costing? <i>(See checklist)</i>	<p>Labor’s <i>A Better Way</i> is a 10-year plan to deliver Sydney’s infrastructure priorities without privatising the state’s electricity network.</p> <p>In addition to adjustments of reservations under Restart NSW, Labor’s plan is funded by deferring the termination of the “Intergovernmental Agreement Taxes” from 2016-17 and by reallocating funding from Coalition commitments that duplicate or conflict with Labor priorities.</p> <p>The policy being costed is to commit the revenue estimated from deferring the Intergenerational Taxes to support the rollout of <i>A Better Way</i>. This has been separately costed as \$469 million in 2016-17 and \$490 million in 2017-18. In addition, the rollout will be supported by reallocating funds from Coalition commitments that duplicate or conflict with Labor policies and priorities (separately costed).</p> <p>The planning and business case development process for the delivery of the plan will commence in 2015-16, out of existing resources.</p>
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.	See <u>Assumptions</u> .

Administration of policy	
Intended date of implementation:	1 July 2015.
Intended duration of policy:	To 2024-25.
Who will administer the policy (e.g. Government entity, non-government organisation, etc.)?	Whole-of-government.
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:	To be finalised with completion of planning and business cases.
Proposed start and completion date of work:	1 July 2015.
Intended construction schedule/cashflow:	See <u>Assumptions</u> .
Offsetting expenditure savings:	..
Associated asset sell off (if any):	To be delivered without privatising the state's electricity network.
On-going maintenance, depreciation and operational expenses:	Consistent with standard arrangements.
Third party funding involvement:	To be finalised with completion of planning and business cases.

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.