



# Parliamentary Budget Office - Election Policy Costing

NSW Parliament • Parliament House, Macquarie Street Sydney NSW 2000

Referred By: Coalition  
Date Referred: 18/02/2019

Proposal No: Y051  
Date Published: 18/03/2019

Proposal Title: Regional Road Upgrades

Cluster: Transport

## General Government Sector Impacts

	2018-19 \$'000	2019-20 \$'000	2020-21 \$'000	2021-22 \$'000	4 year Total \$'000
Expenses (ex. depreciation)	-	-	-	-	-
Depreciation	-	-	-	-	-
Less: Offsets	-	-	-	-	-
Revenue	-	-	-	-	-
<b>Net Operating Balance:</b>	-	-	-	-	-

Capital Expenditure	-	46,200	136,400	257,100	439,700
Capital Offsets	-	-	-	-	-
<b>Net Capital Expenditure:</b>	-	<b>46,200</b>	<b>136,400</b>	<b>257,100</b>	<b>439,700</b>

<b>Net Lending/(Borrowing):</b>	-	<b>(46,200)</b>	<b>(136,400)</b>	<b>(257,100)</b>	<b>(439,700)</b>
---------------------------------	---	-----------------	------------------	------------------	------------------

## Total State Sector Impacts

<b>Net Lending/(Borrowing):</b>	-	<b>(46,200)</b>	<b>(136,400)</b>	<b>(257,100)</b>	<b>(439,700)</b>
---------------------------------	---	-----------------	------------------	------------------	------------------

## Notes and costing assumptions

The policy will fund over \$20 billion in new regional road projects across NSW, including completing the upgrades of the Princes Highway and Great Western Highway. The projects are staged over a ten year (Great Western Highway) and 20 year period (Princes Highway), with all projects receiving funding for feasibility studies or concept design over the forward estimates, with a number starting construction during this period and delivery extending beyond the forward estimates for a number of projects (**see overleaf for project list and status**).

The policy allocates \$440 million over the forward estimates, with the majority of works to be carried out outside the forward estimates. The PBO notes that funding for projects outside the forward estimates is yet to be allocated.

### Key assumptions:

- The \$440 million will be used for construction works on selected road segments, with the rest of the projects to be built outside of the forward estimates.
- The policy outlines construction timelines in the forward estimates for sections of the Princes Highway (Jervis Bay Road to Sussex Inlet Road and Moruya Bypass) and Great Western Highway (Mt Victoria to Hartley, Jenolan Caves Road to Forty Bends). The Medlow Bath upgrade, part of the Great Western Highway upgrades, is also assumed to start construction in 2022-23.
- Advice from Roads and Maritime Services is that project cost estimates are based on early feasibility or pre-feasibility studies, with final costs likely to vary once detailed design, planning approval and procurement have been completed.

**Notes and costing assumptions continued:**

- Costs are in nominal dollars and actual projects costs will be confirmed once detailed design and planning approval is complete.

**General assumptions:**

- The projects in this policy are detailed below along with the project status and estimated total cost.
- Some projects have been allocated capped amounts; Kings Highway \$20 million, Monaro Highway \$20 million and Waterfall Way \$50 million.
- Some projects may include funding arrangements with local councils, such as the Waterfall Way and town centre upgrade is a council project.
- The costing assumes projects would be delivered through existing staffing arrangements and have no on-costs to other agencies.
- The costing does not include recurrent expenses as each project will have different maintenance and depreciation costs. These are not able to be accurately estimated until detailed design is complete.

**List of projects**

	Project status	Total
Princes Hwy	Pre feasibility	15,000
GWH	Strategic	4,500
Kings Highway	Pre feasibility	20
Monaro Highway	Pre feasibility	20
Waterfall Way incl. Dorrigo	Pre feasibility	50
<b>Sub-total (1)</b>		<b>19,590</b>
<b>Projects requiring new funding</b>		
Hay - Main Street - Cobb Highway (resurfacing)	Pre feasibility	3
Taree Northern Gateway - upgrades and roundabout	Pre feasibility	15
Bruxner Highway - Dawson Street Intersection Upgrade (Signals)	Pre feasibility	6
Flood proofing Newell Highway between West Wyalong and Forbes	Pre feasibility	200
Gwydir Highway washpool causeway	Concept	5
New England Highway Duplication (Tamworth) Calala Lane to Jack Smyth Road (plann	Pre feasibility	3
Port Macquarie - Ocean Drive Duplication (capitalisation)	Concept	60
Bobeyan Road Sealing	Pre feasibility	20
Dunns Creek Road Corridor (acquisition and design)	Pre feasibility	27
Mitchell Highway Overtaking Lanes - Dubbo to Narramine	Pre feasibility	18
Bruxner Highway - Alstonville On/Off Ramps	Pre feasibility	5
Muswellbrook Bypass (new funding)	Concept	195
<b>Sub-total (2)</b>		<b>557</b>
<b>Total: (1) + (2)</b>		<b>20,147</b>

