Parliamentary Budget Office - Election Policy Costing

NSW Parliament • Parliament House, Macquarie Street Sydney NSW 2000

Referred By:	Coalition	Proposal No:	Y081
Date Referred:	1/03/2019	Date Published:	

Proposal Title: Accelerating Sydney Metro West

Cluster: Transport for NSW

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	-	-	-	-	-
Net Operating Balance:	**-**	**-**	**-**	**-**	**-**
Capital Expenditure	-	52,000	948,000	2,200,000	3,200,000
Capital Offsets	-	-	-	-	-
Net Capital Expenditure:	**-**	**52,000**	**948,000**	**2,200,000**	**3,200,000**
Net Lending/(Borrowing):	**-**	**(52,000)**	**(948,000)**	**(2,200,000)**	**(3,200,000)**

Total State Sector Impacts

Net Lending/(Borrowing):	**-**	**(52,000)**	**(948,000)**	**(2,200,000)**	**(3,200,000)**

Notes and costing assumptions

The policy proposes to accelerate construction of the Sydney Metro West by providing $6.4 billion over the forward estimates for the project from the following sources:
- $3.2 billion immediate additional funding reservation.
- $3 billion existing Restart NSW reservation (Budget Paper 2 2018-19, page 2-11).
- $238 million already provisioned in the Transport budget.

The total cost of the policy is $3.2 billion over the forward estimates. Advice from NSW Treasury is that the $3.2 billion reservation would come from the consolidated fund and should be treated as a commitment to incur expenditure. While the commitment is for an immediate reservation, provisioning in the budget will be dependent on expenditure on the project.

The PBO notes that the final business case for the Sydney Metro West project has not been finalised and the final total cost of the project, cash flow profiles and completion dates, is not yet confirmed.

Depreciation and maintenance costs are excluded as the project would not be operational until after the forward estimates.