

## Election Costing Request Form

Details of request	
Party:	Liberals and Nationals Government
Name of Policy:	\$1 billion to build better bush roads and rail
Date of request:	1 March 2023

Description of Policy	
Summary of policy (please attach copies of relevant policy documents and include information on what the policy aims to achieve):	<p>The policy invests \$1 billion to upgrade and build resilient local and state roads in regional NSW. The funding will be allocated through:</p> <ul style="list-style-type: none"> <li>• \$400m for the Fixing Local Roads program;</li> <li>• \$300m for the Fast Tracking Freight program, of which \$200m will be for the rail component and \$100m for the roads component; and</li> <li>• \$300 million for the Build Back Better program.</li> </ul>
Has the policy been publicly released yet?	Yes

Your estimated costing of the policy <sup>1</sup>						
	2022/23 \$'000	2023/24 \$'000	2024/25 \$'000	2025/26 \$'000	2026/27 \$'000	2027/28 \$'000
Impact on General Government Sector (GGS) net operating result <sup>2</sup>	-	-	75,000	125,200	320,600	331,800
Impact on GGS capital expenditure <sup>3</sup>	-	-	10,000	20,000	60,000	60,000
If different from above, impact on total State Sector net financial liabilities <sup>4</sup>						

<sup>1</sup> Amounts should be expressed in nominal dollars. GGS - General Government Sector.

<sup>2</sup> Negative for a saving that reduces expenditure

<sup>3</sup> Negative for a reduction in capital expenditure.

<sup>4</sup> Only required if proposal is outside GGS. Negative for a reduction in net financial liabilities.

**Note:** Has the policy been costed by a third party? No  
 If yes, can you provide a copy of this costing and its assumptions?

<b>Key assumptions made in the policy</b>	
Does the policy relate to a previous announcement? If yes, which announcement?	This policy builds on the existing Fixing Local Roads and Fixing Country Roads Programs.
What assumptions have been made in deriving the financial impacts in your estimated costing? <i>(See checklist)</i>	See Attachment A
Is there a range for the costing or any sensitivity analysis that you have undertaken?	See Attachment A
Are there associated savings, offsets or, in the case of a revenue proposal, offsetting expenses? If yes, please provide details.	See Attachment A
Are there significant costs or savings <b>outside</b> the forward estimates period which should be considered in costing this policy? <sup>5</sup>	See Attachment A

<b>Administration of policy</b>	
Intended date of implementation:	See Attachment A
Intended duration of policy:	See Attachment A
Who will administer the policy (e.g. Government entity, non-government organisation, etc.)?	See Attachment A
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 Attachment A
Are there transitional arrangements associated with policy implementation?	See Attachment A

<b>If the policy is mainly an expenditure<sup>6</sup> commitment</b>	
Demand driven or a capped amount:	See Attachment A
Eligibility criteria or thresholds:	See Attachment A

<sup>5</sup> Particularly important for large projects with long lead times, policies with a delayed timetable for implementation, or policies where up-front investment is required to achieve long term savings.

<sup>6</sup> Expenditure is operating expenses, e.g. salaries, interest cost and grants. Expenditures are fully included in the impact on operating balance.

<b>If the policy is mainly a revenue commitment</b>	
Transaction based or capped:	Not applicable
Thresholds and/or exemptions:	Not applicable
Collection method:	Not applicable
Additional expenditure associated with collection:	Not applicable
<b>If the policy is mainly a capital costs<sup>7</sup> commitment</b>	
<b>Nature of Capital Spending</b>	
Type of work, size and capacity:	Not applicable
Proposed start and completion date of work:	Not applicable
Intended construction schedule/cashflow:	Not applicable
Associated asset sell off (if any):	Not applicable
<b>Recurrent Impacts</b>	
Offsetting expenditure savings:	Not applicable
On-going maintenance, depreciation and operational expenses:	Not applicable
Third party funding involvement:	Not applicable
Delivery model <sup>8</sup>	Not applicable

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<sup>7</sup> Capital costs differ from expenditure in that only depreciation will be included in the impact on operating balance.

<sup>8</sup> There is a range of possible delivery models, e.g. built, owned and operated by a NSW government agency; built and transferred to a private operator; privately built for public operation; privately built and operated with government assuming risk or providing a guarantee in relation to future income (often applicable to public/private partnership arrangements), and so on. The policy should provide assumptions about the proposed delivery model.