



Kristina Keneally MP

Monday, 21st March 2011

Mr Tony Harris *21/3 11am*
Acting Parliamentary Budget Officer
NSW Parliament
Macquarie Street
SYDNEY NSW 2000

Dear Mr Harris

I am writing to you to formally request, under Part 4 (Election policy costings) of the Parliamentary Budget Officer Act 2010, an official costing for the following announced policies under Section 18(2) of the Act:

- *Shell Cove Marina*
- *Lily Street Bridge, Allawah*
- *Newcastle University Relocation*
- *Blue Mountains National Park Walking Track and Safety Beacons*
- *Labor's Coal and Coal Seam Gas Plan (Ombudsman)*

Please find attached a copy of this policy outlining the purpose of the policy and relevant details required to complete the costing as per the requirements of the Act.

A copy of the NSW Treasury costing and budget impact statement for the policy has also been included for your reference.

Should you require any further information on this request, please contact my office on (02) 9228-5239

Yours sincerely

Kristina Keneally
Premier of NSW
Leader of NSW Labor Party



\$1.25 MILLION FOR THE ICONIC BLUE MOUNTAINS NATIONAL PARK: WALKING TRACK IMPROVEMENTS AND PERSONAL SAFETY BEACONS

Friday 18 March 2011

A re-elected Keneally Labor Government will invest \$1.25 million to upgrade a historic walking track in the Blue Mountains National Park and purchase 500 new personal locator beacons for bushwalkers to improve personal safety.

The investment includes \$1 million to upgrade the historic Undercliff Overcliff walking track at Wentworth Falls, including improvements to signage and look-outs.

In a separate measure, the new funding will also deliver 500 new personal locator beacons, giving greater peace of mind to bushwalkers in the vast Blue Mountains and helping rescue teams should a bushwalker lose their way.

More than three million people visit Blue Mountains National Park each year. Around 130 bushwalkers get lost in the Blue Mountains and need assistance.

Premier Kristina Keneally was joined at Wentworth Falls today by Blue Mountains Labor candidate Trish Doyle to make the funding announcement.

"Blue Mountains National Park is the most visited national park in Australia, with landmark sites such as The Three Sisters," Ms Keneally said.

"NSW Labor recognises the park is not only an attraction for tourists, but is also incredibly important to local residents.

"Blue Mountains Labor candidate Trish Doyle has advocated strongly for upgrades to the park and in particular to the historic Undercliff Overcliff Track, which is more than 100 years old and has been used by more than 40,000 people a year for the past 20 years.

"She deserves to be congratulated for making this \$1.25 million funding announcement possible."

Ms Doyle said the additional funding would greatly enhance the experience of the Blue Mountains National Park for locals and visitors.

"This new funding is fantastic news – the historic Undercliff Overcliff track has given local families and visitors great enjoyment for many years, offering sweeping views of the Jamison Valley," Ms Doyle said.

"These upgrades will help ensure the track's longevity and importance for locals for another 100 years.

"The extra 500 new personal locator beacons also mean more locals and visitors will have access to a vital piece of equipment before venturing in to enjoy the vast wilderness the park has to offer."

Blue Mountains National Park currently has 43 hand-held GPS beacons, available for free hire from Katoomba and Springwood police stations and the National Parks and Wildlife Service centre at Blackheath.

Today's announcement follows the State Labor Government's recent declaration of the Mugii Murum-ban State Conservation Area, protecting 3600 hectares of land, and linking the Gardens of Stone National Park and the new Capertree National Park.

Background notes:

- Blue Mountains National Park is the most visited National Park in Australia
- More than three million people come to Blue Mountains National Park each year.
- This Blue Mountains National Park is part of the Greater Blue Mountains World Heritage Area, which protects an unusually diverse range of vegetation communities. There are rare and ancient plants and isolated animal populations tucked away in its deep gorges.
- The Blue Mountains National Park has over 140 km of walking tracks of all grades.
- Every year around 130 bushwalkers get lost in the Blue Mountains and require rescuing.
- Between 2004 and 2007, nearly 400 people were reported missing in the Blue Mountains and surrounding area, which led to 200 search and rescue operations.
- The importance of personal locator beacons achieved prominence after British backpacker Jamie Neale was lost in the Blue Mountains National Park for 12 days in 2009. Mr Neale, who did not take a beacon with him, had to endure 12 days in the park in the middle of winter.

Costing of Proposal

Title/Subject:	Blue Mountains National Park
Pink/Physical ID:	EA1646160
Proposal by:	Government
Agency:	Department of Environment, Climate Change and Water
Cluster:	Environment, Climate Change and Water
Detailed description:	\$1 million to fund improvements to infrastructure in Blue Mountains National Park.
FIS No: 486	National Parks and Wildlife Service will liaise with Blue Mountains Council and local stakeholder groups to determine priority works for expenditure.
Classification: GGB	\$250,000 to purchase 500 additional Personal Locator Beacons for use within the park.

General Government Sector Financial Impact

	2010-11 \$'000	2011-12 \$'000	2012-13 \$'000	2013-14 \$'000	2014-15 \$'000	Ongoing \$'000
Expenses (incl. depreciation)		300	51	103	104	105
Less Agency Offsets (1)						
Less Agency Revenue						
Less Crown Provisions						
Budget Result Impact	0	-300	-51	-103	-104	-105
						Residual
Capital Expenditure		500	500			
Less Capital Offsets (1)						
Net Capital Cost	0	-500	-500	0	0	0
Depreciation				50	50	
Net Lending (2)	0	-800	-551	-53	-54	

Public Trading Enterprises Sector Financial Impact

	2010-11 \$'000	2011-12 \$'000	2012-13 \$'000	2013-14 \$'000	2014-15 \$'000	Ongoing \$'000
Revenues						
Expenses						
Operating Result	0	0	0	0	0	0
						Residual
Capital Expenditure						
Less Capital Offsets (1)						
Net Capital Cost	0	0	0	0	0	0
Depreciation						
Net Lending (2)	0	0	0	0	0	

Accumulated Net Financial Liabilities as at 30 June (3)

	2010-11 \$'000	2011-12 \$'000	2012-13 \$'000	2013-14 \$'000	2014-15 \$'000
General Government Sector	0	800	1,351	1,404	1,458
Total State Sector	0	800	1,351	1,404	1,458

(1) Includes items such as available funding within existing estimates, expenditure offsets, recurrent savings associated with capital projects, linked assets sales.

(2) Equal to Budget Result or Operating Result Impact plus Net Capital Cost.

(3) Equals cumulative Net Lending Impact. Total State Sector equals sum of General Government and PTE (and PFE) sectors.

Key costing assumptions

The Personal Locator Beacons will be purchased in 2011-12 and a further \$50,000 per annum escalated at 2.5% will be required to administer the Personal Locator Beacons scheme and for on-going maintenance and replacement of the beacons. Spending on the infrastructure improvements will be spread evenly over two years from 2011-12 and they will be depreciated at a rate of 5% per annum from 2013-14 onwards.

Key data

The unit cost for Personal Locator Beacons is \$500.

Caveats or qualifications

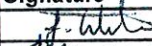



Nil

Implementation issues (including how Treasury can assist in speedy implementation and any potential difficulties and how these might be overcome)

Nil

Other comments (including explanation where Treasury costing differs from agency or PBO estimates)

The infrastructure improvements in Blue Mountains National park may be able to be funded from DECCW's annual provision of \$3.01 million for infrastructure replacement. Expenditure may also be able to be funded by reprioritising expenditure from DECCW's one-third allocation from the Waste and Environment Levy.

Position	Name and extension	Signature	Date
Analyst(s)	Frank Abate x4994		18/3/11
in consultation with	Minh Nguyen		18/3/11
Director	Lindsey Williams		18/3/11
Deputy Secretary	Matt Roberts		18/3/11