



Kristina Keneally MP

Friday, 11th March 2011

Mr Tony Harris
Acting Parliamentary Budget Officer
NSW Parliament
Macquarie Street
SYDNEY NSW 2000

11/3
3-20pm

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:

- *Iconic Central Coast Walking Track*
- *Iconic Walking Path for Illawarra Families*
- *Climate Change: A Liveable Western Sydney – One Million Trees*
- *Sydney East Drug Court*
- *Boost for Children and Adults with Hearing Loss*
- *New Youth Centre in Arncliffe Park*
- *Historic Parramatta School to Become Western Sydney Arts Precinct*

This policy document includes commitments under Section 18(2) of the Act, specifically:

- *Iconic Central Coast Walking Track*
- *Iconic Walking Path for Illawarra Families*
- *Climate Change: A Liveable Western Sydney – One Million Trees*
- *Sydney East Drug Court*
- *Boost for Children and Adults with Hearing Loss*
- *New Youth Centre in Arncliffe Park*
- *Historic Parramatta School to Become Western Sydney Arts Precinct*

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



AN ICONIC WALKING PATH FOR ILLAWARRA FAMILIES

Wednesday 9 March 2011

A re-elected Labor Government will invest \$1 million to connect and upgrade walking tracks in the Illawarra – creating a single walking path from Bundeena to Dapto.

Under the plan, the *Bald Hill Link* will be constructed to link the Coast Walk in the Royal National Park with the Illawarra Escarpment walking tracks. The track south from Stanwell Park will also be upgraded as will the track north of Bald Hill to Otford.

Premier Kristina Keneally was joined by the Member for Heathcote, Paul McLeay, and Candidate for Keira, Ryan Park, at Sublime Point to make the announcement.

"We know that the most popular activity in our parks is walking. That is why a re-elected Labor Government will connect these two walking tracks," Ms Keneally said.

"By joining these two tracks will make this an iconic walk not just in the Illawarra, but across the State.

"I would also like to acknowledge Paul McLeay for this work on this project. This couldn't have happened without his advocacy and support. He has been its number one advocate."

The funding will be allocated to both the construction of links and facilities;

- \$350,000 to complete from the track from Bald Hill to Austinmer including the Bald Hill Link;
- \$350,000 to complete from Bald Hill to Otford; and
- \$300,000 for facilities such as visitor information sights and signage along the route.

Mr McLeay said: "This project will create an iconic walk right in the heart of our community. Once completed, it will attract walkers from across the State, as well as interstate and overseas visitors.

"Local families will also be able to enjoy this picturesque walk with easy access to public transport options along the route.

"The Royal National Park was the second national park created anywhere in the world – which is one of the reasons why it is so important to ensure it is there for the community to enjoy.

"This will complement the investment the NSW Government has already made in the track, particularly at Sublime Point.

"Having a walking path which reaches from Bundeena to Dapto will provide more opportunities to take in the spectacular beauty of our local area."

Mr Park welcomed the announcement and said it would complement the investment the NSW Government has already made in the track, particularly at Sublime Point.

"This track in the Illawarra Escarpment State Conservation Area is a draw card for visitors to the region and offers residents a great local attraction.

"This is a spectacular part of our State and I'm proud that the NSW Government has committed to this funding, so that future generations of families can continue to enjoy it."

Costing of Proposal

Title/Subject:	Healthy Walking in the Illawarra
Pink/Physical ID:	EA1644832
Proposal by:	Government
Agency:	Department of Environment, Climate Change and Water
Cluster:	Environment, Climate Change and Water
Detailed description:	Invest \$1 million to upgrade and extend tracks through the Royal National Park and the Illawarra Escarpment State Conservation Area to create an iconic multi-day walk.
FIS No: 486	
Classification: GGB	

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)		50	50	50	50	50
Less Agency Offsets (1)						
Less Agency Revenue						
Less Crown Provisions						
Budget Result Impact	0	-50	-50	-50	-50	-50
						Residual
Capital Expenditure		1,000				
Less Capital Offsets (1)						
Net Capital Cost	0	-1,000	0	0	0	0
Depreciation		50	50	50	50	
Net Lending (2)	0	-1,000	0	0	0	

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	1,000	1,000	1,000	1,000
Total State Sector	0	1,000	1,000	1,000	1,000

(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 Department of Environment, Climate Change and Water (DECCW) has advised that these works require an additional \$1 million in capital funding. It is assumed the works will commence on 1 July 2011 and will be completed within the 2011-12 financial year. Depreciation is 5% per annum.

Key data

NA

Caveats or qualifications

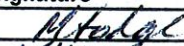

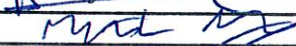

As DECCW receives revenue from the waste and environment levy for environmental programs and commitments, Treasury would expect these costs to be met from within the resources already allocated. DECCW should be able to reprioritise its approved capital program to accommodate this proposal, or offset its recurrent expenses with this capital cost to ensure no impact to the State's Net Lending position. In the time available however, it has not been possible to identify specific programs for reprioritisation.

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

These lands are managed by the DECCW. Capital works spending to upgrade, link and extend existing tracks, as well as construct visitor facilities, can be undertaken at any time.

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

NA

Position	Name and extension	Signature	Date
Analyst(s)	Marie Lodge x4918		11/3/11
in consultation with	Minh Nguyen		16/8/11
Director	Lindsey Williams		11/3/11
Deputy Secretary	Matt Roberts		11/3/11