

2012 Policy Commitment - ACT Labor

Election Commitment:

Name of Commitment: Capital Metro Light Rail

Reference No: LAB087

Cost Request Submitted by:¹ Katy Gallagher MLA, ACT Labor Party Leader

Date Request Received: 09-Oct-12

Date of Public Release: 21-Aug-12

Additional Information Requested (including date): On 11 October 2012, Treasury sought further advice on the breakup of funding for the project including for capital and recurrent expenses and the level of design work to be funded.

Additional Information Received (including date): 15-Oct-12

Financial Implications:

Impact On:	2012-13	2013-14	2014-15	2015-16	2016-17	TOTAL
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Revenues ^(a)	0.0	0.0	0.0	0.0	0.0	0.0
Expenses ^(a)	0.0	-3,031.3	-3,585.1	-1,131.2	-1,179.3	-8,926.8
Net Operating Balance	0.0	-3,031.3	-3,585.1	-1,131.2	-1,179.3	-8,926.8
Capital Requirement	0.0	-12,500.0	-12,500.0	0.0	0.0	-25,000.0
Cash Surplus/Deficit	0.0	-15,531.3	-16,085.1	-1,131.2	-1,179.3	-33,926.8

(a) A negative number indicates a decrease in revenue or an increase in expenses

Other Information:

Caveats or qualifications to the costing:

The costing is based on the assumption that the final financing and delivery vehicles will be designed in such a way as the Territory having some ownership interest in the light rail. On this basis, the assumption that detailed design can be capitalised is a reasonable assumption.

Other Comments:

n/a

Costing Methodology Used:

- Costing Technique:

Treasury considers the costing is reasonable to fund concept and preliminary design, economic and financial analysis, and master planning. The difference between the costs announced (and further clarified by the Party) and Treasury costing is the inclusion of cost of funds.

Treasury notes that the proposal is for the next stage of concept and design work. Treasury also notes future work is to be done on financing and delivery models, including a private sector partnership.

- Policy Parameters:

n/a

Statistical Data Used:

n/a



Megan Smithies
Director-General