

## 2016 Policy Commitment – Canberra Liberals

<b>Name of Commitment:</b>	<b>Gundaroo Drive Duplication</b>	<b>Reference Number:</b> LIB015
<b>Request Submitted by:</b>	Jeremy Hanson MLA, Canberra Liberals	
<b>Date Request Received:</b>	06-Oct-16	
<b>Additional Information Requested (details and date)</b>	N/A	
<b>Additional Information Received (details and date)</b>	N/A	

<b>Financial Implications</b>					
<b>Impact On:</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>	<b>2019-20</b>	<b>TOTAL</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Revenues <sup>(a)</sup>	0.0	0.0	0.0	0.0	0.0
Expenses <sup>(a) (b)</sup>	0.0	0.0	-425.0	-860.6	-1,285.6
- Employee Expenses	0.0	0.0	0.0	0.0	0.0
- Other Expenses	0.0	0.0	0.0	0.0	0.0
- Cost of Financing	0.0	0.0	-425.0	-860.6	-1,285.6
Expenses - Depreciation	0.0	0.0	0.0	0.0	0.0
<b>Net Operating Balance</b>	<b>0.0</b>	<b>0.0</b>	<b>-425.0</b>	<b>-860.6</b>	<b>-1,285.6</b>
<b>Capital Requirement</b>	<b>0.0</b>	<b>0.0</b>	<b>-17,000.0</b>	<b>-17,000.0</b>	<b>-34,000.0</b>
<b>Cash Surplus/Deficit</b>	<b>0.0</b>	<b>0.0</b>	<b>-17,425.0</b>	<b>-17,860.6</b>	<b>-35,285.6</b>

(a) A negative number indicates a decrease in revenue or an increase in expenses.  
(b) Excludes depreciation expenses.

<b>Other Information</b>
<p><b>Costing Methodology Used:</b></p> <p><b>- Costing Technique:</b></p> <p>The costing has been completed using a price by quantity methodology, based on similar works undertaken by the ACT Government.</p>
<p><b>- Proposal Parameters:</b></p> <p>The costing assumes that administrative expenses associated with the program would be absorbed by the Transport Canberra and City Services Directorate (TCCS).  Depreciation and maintenance expenses will not occur until 2020-21 and 2021-22, respectively, after construction has been completed. The total cost is \$0.453 million in 2020-21 (depreciation expense only) and \$0.793 million in 2021-22 with the commencement of maintenance funding.  The cost of financing has been calculated at 2.5 per cent.</p>
<p><b>Caveats or qualifications to the costing:</b></p> <p>It is assumed that industry has the capacity to deliver this project in the suggested timeframe.</p>
<p><b>Other Comments:</b></p> <p>The forward design work for this project has already been undertaken and this component has been removed from the costing.  Treasury notes that the construction cost of \$32 million quoted by the Canberra Liberals was based on a presentation made on 12 March 2014. The costing has indexed this figure at 2.5 per cent per annum to reflect the current costs of construction.</p>
<p><b>- Statistical Data Used:</b></p> <p>TCCS and Treasury estimates.</p>

  
David Nicol

Under Treasurer

10 October 2016