

Senate Finance and Public Administration Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE
BUDGET ESTIMATES 2017-18

Finance Portfolio
24-25 May 2017

Department/Agency: Finance

Outcome/Program: 2/2.1

Topic: ARTC Budget Impact

Senator: McAllister

Question reference number: F17

Type of question: Hansard Proof, 24 May 2017, F&PA Committee, Page 63

Date set by the committee for the return of answer: Friday, 7 July 2017

Number of pages: 1

Question:

Senator McALLISTER: What is the cost of the project in total, from a departmental expense perspective?

Senator Cormann: The departmental expenses are laid out on page 189. The total expense across both Finance and the Department of Infrastructure and Regional Development is \$20 million in 2017-18—\$15.4 million, \$5.7 million and \$11.1 million are all the forwards—so that is just under \$60 million.

Senator McALLISTER: My question is: does it have a budget impact beyond the forward estimates?

Senator Cormann: You would expect that a project of this nature, which is not going to be completed over the period of the current forward estimates, will continue to require some involvement from both the finance department and the Department of Infrastructure and Regional Development—although as you have previously noted, that involvement, in particular when it comes to Finance, is more substantial at the beginning and less as the project gets on track. Pardon the pun.

Senator McALLISTER: What is the profile of the investment?

Senator Cormann: You mean the equity investment?

Senator McALLISTER: Yes.

Senator Cormann: Mr Edge might be able to assist you there, although I suspect some of those decisions—

Mr Edge: No, we have not published it.

Senator Cormann: We will take it on notice to see if there is anything we can help you with.

Answer:

The Government will provide an additional equity investment of up to \$8.4 billion over seven years to Australian Rail Track Corporation (ARTC) to deliver Inland Rail. The profile of the Government's equity contribution to Inland Rail, as listed in Budget Paper No. 2 (pg 189), is listed as *not for publication* (nfp). The equity contribution profile over the seven years is commercially sensitive as it may negatively impact ARTC's ability to engage and negotiate with providers and achieve value for money in its procurement activities.