

**Rural & Regional Affairs and Transport Legislation Committee**  
ANSWERS TO QUESTIONS ON NOTICE  
Supplementary Budget Estimates 2015 - 2016  
**Infrastructure and Regional Development**

**Question no.:** 152

**Program:** N/A

**Division/Agency:** Western Sydney Unit

**Topic:** Western Sydney airport – leasing arrangements

**Proof Hansard Page:** Written

**Senator Gallacher, Alex asked:**

1. Given that the Commonwealth will lease the Badgery's Creek site to a private sector operator, is there an understood split between what the Commonwealth will own and develop, and what the operator will develop as part of the lease?
2. Is there a standard asset split for airports between lessor and lessee, or is this the subject of case-by-case commercial negotiation?
3. For instance, is the planned airstrip the property of the Commonwealth or the lessee?

**Answer:**

1. Any division of responsibility between the Commonwealth and the private sector for delivering a Western Sydney Airport will form part of the terms of any commercial arrangement. These terms are still being developed and therefore it would be inappropriate to provide any further comment at this time.
2. No. Airport lessee companies are generally granted a long term lease to operate an airport; during this time they are generally responsible for all infrastructure maintenance and development.
3. As ownership is retained by the Commonwealth for all leased federal airports, the infrastructure is technically owned by the Commonwealth at the end of the lease period.

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Supplementary Budget Estimates 2015 - 2016  
**Infrastructure and Regional Development**

**Question no.:** 153

**Program:** Western Sydney Airport

**Division/Agency:** Western Sydney Unit

**Topic:** Western Sydney Airport – Consideration of Rail

**Proof Hansard Page:** Written

**Senator Gallacher, Alex asked:**

1. Has a cost estimate been determined for the extension of the rail line from Leppington through the new airport and to the main Western Line (near St Mary's)? If yes, what is the estimate? If no, is there a rule of thumb that might apply?
2. Has work been done on the additional cost of retrofitting a line around an operational airport? What is the additional cost of deferring the building of the rail line?
3. There are some media reports of a \$500M cost estimate for this rail line. What does the \$500 million cost estimate for the rail line include? Is this estimate agreed with the NSW Government? What are the intergovernmental arrangements around cost apportionment for this – now and into the future?

**Answer:**

1. The New South Wales Government is currently undertaking the corridor selection and reservation process for the extension of this rail line through the proposed airport. The Department of Infrastructure and Regional Development is not aware of any cost estimates for this line. A rule of thumb is not applicable for estimating the cost of this rail line as every line varies in relation to alignment, structure of corridor, geology, interface with infrastructure such as roads and waterways and the scale of the development.
2. No. The airport has been planned to preserve a rail corridor across the airport site such that it could be possible to develop without the need for retrospective tunnelling under or disrupting the operation of active runways or major infrastructure.
3. No agreements have been made between the New South Wales and Commonwealth governments on the cost estimate or funding arrangements for this rail line. In November 2015 the NSW and Australian Governments announced a Joint Scoping Study of the Rail Needs for Western Sydney. This study will consider rail options, route alignments and timing, among other things.