

4.3.15 MINISTER FOR THE OLYMPICS AND MINISTER FOR ROADS

OVERVIEW

Agency	Forecast 1995-96	Estimate 1996-97	Variation
	\$m	\$m	%
Olympic Co-ordination Authority			
Current Payments	33.3	39.0	17.1
Capital Payments	77.6	444.0	472.2
Roads and Traffic Authority			
Current Payments	1,048.7	1,066.9	1.7
Capital Payments	785.1	849.6	8.2
Total, Minister for the Olympics and Minister for Roads	1,944.7	2,399.5	23.4

The large increase in capital payments for the Olympic Co-ordination Authority is predominantly due to the gearing up of construction works for the Sydney Olympic and Paralympic Games.

Roads and Traffic Authority capital payments are expected to increase in 1996-97 by over \$60 million reflecting the Government's ongoing commitment to the development of the State road network.

OLYMPIC CO-ORDINATION AUTHORITY

The Olympic Co-ordination Authority is responsible for implementing strategies for the planning, redevelopment and management of the 760 hectare Homebush Bay area. It is responsible for the delivery of new sporting and recreational facilities and venues at Homebush Bay, Penrith Lakes, Holsworthy and Horsley Park to be used during the Olympic and Paralympic Games. The facilities are to be designed predominantly with their longer term, post 2000 use in mind. The Olympic Co-ordination Authority is also responsible for the relocation of the Royal Agricultural Society to Homebush Bay.

The Authority also has responsibility for the co-ordination and reporting of the New South Wales Government's involvement in the preparations for the Olympic and Paralympic Games and for maintaining close liaison with the Sydney Organising Committee for the Olympic Games (SOCOG) and the Sydney Paralympic Organising Committee (SPOC).

In promoting, co-ordinating and managing the development of the Homebush Bay area, the Authority's functions include the provision and management of buildings, transport and other infrastructure to service the area.

Included within the Olympic Co-ordination Authority's allocation are amounts provided to the Darling Harbour Authority as a Social Program Policy payment for maintenance of assets and minor capital works.

Expenditure Trends and Recent Developments

The Olympic Co-ordination Authority was established on 30 June 1995 following the amalgamation of five agencies which previously shared the responsibilities for providing Olympic facilities. The budgets of the five agencies have been consolidated.

Over the last twelve months, many important strategic decisions have been made. Of note is the finalisation of the Homebush Bay Masterplan, the selection of the preferred proponent for the Olympic Stadium and the decision to provide a three platform railway station on a rail loop close to the Stadium and the Royal Agricultural Society site.

Evaluation is under way of preliminary proposals that have been received from the private sector for financing and construction of the Athletes Village.

The Government has also recently renegotiated the Australian Olympic Committee's entitlement to 90 per cent of any SOCOG surplus. Instead, guaranteed payments of \$5 million (1992 Australian dollars) and \$70 million (1992 Australian dollars) will be made respectively to the Australian Olympic Committee and the Australian Olympic Foundation at the conclusion of the Sydney Games. These amounts will be deducted from television rights payable to SOCOG by the International Olympic Committee.

A detailed review of issues relating to the Sydney 2000 Olympics and Paralympics is at Section 4.4.

Strategic Directions

The Olympic Co-ordination Authority is required to build facilities which meet both the needs of the Sydney Organising Committee for the Olympic Games for staging the Games and importantly for also providing long term sporting, social and cultural benefits for the people of New South Wales. In developing these facilities, the Authority incorporates the special needs required for the staging of the Paralympic Games in 2000. The Authority will seek to maximise opportunities for the private sector to design, construct, finance and operate the major sporting facilities.

Homebush Bay's long term future is as a mix of uses - sporting and recreational, exhibition and entertainment, residential and commercial, as well as being the site for the Royal Easter Show and the primary zone for the staging of the 2000 Olympic Games and for all Paralympic Games events. As a result a number of strategies have developed which cover the variety of uses for the site -

- the Homebush Bay Masterplan has been developed which divides the site into major project areas including an urban core, the Newington residential district with adjoining town centre and open space which provides ecologically distinct areas, nature corridors, habitat and active recreational opportunities;

- the remediation and landscaping of contaminated sites primarily for open space, carparking or outdoor sporting activity before, during and after the year 2000. An ongoing testing and monitoring program has been established to ensure that remediated sites do not pose any risk to the public or the environment;
- an environmental management strategy for the protection of the natural environment at Homebush Bay;
- a transport strategy to service Homebush Bay which ensures that the area is serviced by a flexible multi-modal system that will cater for peak, median and low demands and maximise the potential for utilisation of public transport systems;
- a water cycle strategy to address the issues of stormwater and waste water recycling, and minimisation of potable water consumption; and
- interactive processes at all stages to involve developers, environment and other community groups.

1996-97 Budget

Current Payments

Current payments in 1996-97 include \$20.876 million for -

- supporting the delivery of community based sporting and recreation facilities suitable for the staging of the 2000 Olympic and Paralympic Games as well as the operating costs of the Penrith Lakes complex;
- supporting the urban development, infrastructure and remediation works at Homebush Bay and other Olympic and Paralympic venues;
- co-ordination and monitoring of the New South Wales Government's involvement in the Sydney Olympic and Paralympic projects; and
- maintenance of completed facilities as necessary for their long term continued viability.

The Sydney Paralympic Organising Committee will be provided with \$2.4 million as a grant toward operating expenses.

An amount of \$15.8 million is included for the Darling Harbour Authority for the operation and maintenance of convention, exhibition and recreational facilities at Darling Harbour.

Capital Payments

Estimated capital payments of \$444 million in 1996-97 include \$442.1 million for Olympic and Paralympic projects and a capital grant of \$1.9 million to the Darling Harbour Authority to provide for the maintenance of existing infrastructure and for minor works.

The significant level of funding provides for costs associated with preparations for the Olympic and Paralympic Games and represents the acceleration of the redevelopment program at Homebush Bay to enable the relocation of the Royal Agricultural Society in time for the staging of the 1998 Royal Easter Show.

The capital budget was subjected to a detailed review in light of the revised Masterplan for Homebush Bay and Government decisions on the rail loop line to service public transport needs of the major facilities.

Expenditure in the current and next financial years has been fully provided for in framing the Budget and Forward Estimates to accord with Government policy that the costs associated with the Olympics should be funded within the Budget so that future taxpayers will not have to meet any debt.

Tenders for the Olympic Stadium have been assessed and provision has been made in the Olympic budget for anticipated Government contributions to this project. Detailed negotiations have commenced with the preferred proponent for the Olympic Stadium.

The proposal provides for a \$605.7 million Olympic Stadium to seat 110,000 in Olympic mode and 80,000 for long term use after the Games. The Stadium proposal provides for a Government contribution of \$151.6 million.

These figures are in line with the Stadium costs announced in January 1996 by the Premier and the Minister for the Olympics, namely the -

- Government contribution of \$151.6 million has been escalated from the \$135 million announced cost to convert it to 1996-97 values; and
- \$605.7 million total project cost represents announced amounts - \$463 million for the Stadium and \$78.4 million for Stadium surrounds escalated to 1996-97 values.

No allowance has been made at this stage for any additional Government contribution for the Olympic Villages, apart from the cost of acquiring and remediating Commonwealth land at Newington required for the Olympic Village. Previous planning was on the basis of no Government contribution and it will not be possible to assess whether this will be achievable until after detailed proposals are submitted by the private sector. In any case it is not likely that even if some level of Government financial support is required that it will be needed prior to 1998-99.

Major projects to be progressed during 1996-97 include -

- expenditure of \$6.8 million on the rowing course at Penrith Lakes;
- the railway link and station (at an estimated total cost of \$90.1 million) which will link Homebush Bay with the Sydney rail network including improvements proposed by the State Rail Authority to rail infrastructure in the Flemington Junction area at a cost of \$19.3 million;
- an amount of \$169.6 million for the re-location of the Royal Agricultural Society to Homebush Bay for the 1998 Royal Easter Show;

- the acquisition and remediation of the Olympic Village site at a cost of \$11 million in 1996-97, including the remediation of nearby Wilson Park and Auburn Tip;
- the continuation of infrastructure and services projects including provision for gas, water, sewerage, etc at a cost of \$41.3 million in 1996-97;
- scoping and/or commencement of various Olympic and Paralympic facilities and venues including velodrome, tennis, hockey, equestrian, shooting, training facilities, siteworks and landscaping at an estimated cost of \$27.8 million in 1996-97; and
- \$81.6 million for other transport infrastructure including roads, bridges, parking, pedestrian and ferry wharfage projects.

The total cost to Government of the Olympic capital program (i.e. excluding investment by the private sector) to 2000-01 is estimated at \$1,914 million compared to original bid budget costs of \$1,544 million (escalated to 1996-97 values). It is estimated that these costs will be funded or recouped in part by grants from the Commonwealth of \$175 million, contributions from SOCOG of \$283.5 million, from interest received from investments of \$32.2 million and from any SOCOG profits arising from the staging of the Games.

The increase in total estimated completion costs to Government of some \$370 million over the bid budget has become apparent as a result of detailed appraisal by OCA of the scope and requirements to provide quality long term facilities as an ongoing post Olympic legacy to the people of New South Wales. The current OCA budget review has demonstrated that it is no longer feasible to maintain a construction budget within the benchmark set by the original budget without compromising Olympic and long term objectives.

It is important to recognise that changes in needs and assumptions have been required and a more realistic assessment has now been made. The original budget was based on concepts and assumptions prevailing in 1992 which over the past three and a half years have proven to have underestimated the physical and functional constraints of developing the Homebush Bay site as well as the scope of work of a number of the Olympic facilities.

ROADS AND TRAFFIC AUTHORITY

The Roads and Traffic Authority (RTA) of New South Wales manages the State's road and traffic systems. The Authority focuses on three main areas of business: road network infrastructure; road safety and traffic management; and driver and vehicle policy and regulation.

Expenditure Trends and Recent Developments

The projected total roads program expenditure for 1995-96 is \$1,961 million, an increase of \$63 million over 1994-95.

Current payments projected for 1995-96 total \$1,049 million and include \$124 million to meet debt servicing costs, \$148 million for motor registry customer services, \$536 million on road maintenance works, \$177 million for road safety and traffic management and \$57 million for driver and vehicle management and regulation.

Projected payments on the capital program of the RTA for 1995-96 total \$785 million. This projected capital expenditure (in addition to the RTA's operating costs of maintaining roads and providing services to the community) result in a total Capital and Maintenance program for 1995-96 of \$1,605 million, an increase of \$69 million over 1994-95.

Strategic Directions

The RTA will continue to contribute substantively to the economic and social well being of New South Wales in 1996-97 through its traditional core business areas of maintenance and development of the road network infrastructure, road safety and traffic management and driver and vehicle policy and regulation. The RTA's products and services contribute significantly to State and regional development.

The RTA is also undertaking a major organisational improvement program to ensure that it becomes more efficient, commercially focused and customer driven.

Key objectives of the RTA are to -

- provide road and traffic infrastructure according to Government priorities. This includes a continuing commitment to meeting the needs of pedestrians and bicyclists, and to improving the efficiency of road related public transport;
- develop and strengthen partnerships with other transport agencies, Government departments, Local Government and the community with a view to integrating transport plans and planning processes;
- reduce road deaths and serious road accidents in New South Wales;
- provide products and services to the community in the most cost effective way;

- minimise any adverse impacts on the natural and built environment from RTA's activities;
- maximise compliance by drivers and vehicles with safety, environmental and loading standards whilst streamlining regulatory requirements; and
- seek to moderate the overall growth in motor vehicle travel.

The availability of a road transportation network in sound condition has a major influence on the state of the economy in New South Wales and Australia. The priority for infrastructure maintenance over the next 5 years is to ensure that the road asset is properly maintained at minimum whole of life cost, with improvements in productivity and application of technology consistent with world best practice.

1996-97 Budget

Current

Estimated total current payments for 1996-97 are \$1,067 million, a 1.7 per cent increase over projected expenditure for 1995-96.

To ensure road conditions continue to be maintained at least to current levels, the RTA has increased maintenance funding and will reinvest savings from productivity and efficiency improvement initiatives into the Maintenance Program. The 1996-97 program provides \$541 million for road maintenance and aims to ensure that the cost of service delivery remains competitive. Further, funding of \$45 million will continue to be directed towards the asset maintenance of traffic facilities in 1996-97.

As economic growth continues, road travel will increase, adding to the challenge for road safety programs to further reduce the road toll.

Measures to achieve this improvement in road safety include an extension to the successful \$3 million initiative to increase the level of Police enforcement, \$4.8 million for provision of road safety education for children through schools, \$7.5 million for an integrated program to counter excessive speeding, \$2.1 million for further development of the capacity of Local Government to deliver road safety programs at community level and \$0.7 million for encouragement for consumers to purchase safer vehicles.

Improvements for pedestrians and cyclists are being emphasised. School children will benefit from additional 40 km/h school zones, school crossing supervisors and other crossing treatments. Further facilities to assist the elderly and pedestrians with special needs will be installed. Improvements for cyclists are also being emphasised with \$7 million to be spent on cycleway creation to improve mobility and safety for bicycle riders.

In order to improve the reliability of travel times as well as average speeds, emphasis will be placed on managing traffic where incidents occur. Expenditure of \$20.4 million will be incurred in 1996-97.

The RTA continues to have extensive involvement in the development of many national driver and vehicle regulation initiatives, including projects such as implementation of uniform licence classes'; driving time limits for heavy vehicle drivers and exchange of demerit points between States and Territories. Legislation has been passed to adopt nationally uniform heavy vehicle regulation charges from 1 July 1996.

The roadworthiness of vehicles is being monitored more cost-effectively. The RTA is managing a national program to evaluate maintenance management assurance as an alternative to annual heavy vehicle inspections, potentially giving savings to truck operators.

Quality service has become a feature of RTA activities related to Motor Registry Customer operations. Expenditure of \$150 million will result in significant enhancements in registries such as the introduction of the Q Matic system, aimed at speedier management of customer queues, and operating in 64 high volume registries, the progressive introduction of an over the counter direct photo licence system and the establishment of Customer Service Centres for telephone enquires.

Capital Payments

The 1996-97 estimate of total capital payments is \$850 million, a 8.2 per cent increase over projected expenditure in 1995-96.

The RTA recognises the importance of integrating the State's road network with the planning of land use and with other transport modes. The RTA will continue to work closely with other key agencies to integrate land-use and transport planning, to contain the growth in demand for road travel and to make alternative transport, especially public transport, more attractive and viable.

The RTA has identified a Network Development Program designed to meet the Government's major road commitments, complete works in progress and deliver projects with relevance to the Olympics. Funding of \$8 million will be provided for the grade separation of Homebush Bay Drive and Australia Avenue at Homebush Bay.

Road needs in Western and South Western Sydney will be met by several major road upgrades, as part of the Government's commitment to invest \$145 million per annum in roads in that area. Key capital projects include: the widening of the RTA's section of the M4 west from Church Street, Parramatta, to Mulgoa Road, Penrith; completion of the east facing ramps at Mamre Road; the widening of the M5 Georges River Bridge; and grade separation of the Hume Highway/Roberts Road bottle-neck. Upgrading will also commence or continue on Abbot Road, Old Windsor Road, Camden Valley Way, Cowpasture Road, Elizabeth Drive, Heathcote Road, the Northern Road, Castlereagh Road and Davies Road.

Other significant initiatives in the Sydney area will include continuation of the Victoria Road interchange at Top Ryde and upgrading of the City West Link.

The \$60 million three year program of works committed to road improvements through the Blue Mountains is now in its second year and work is continuing on projects at Warrimoo, Linden Bends and Hawkesbury Road ramp.

Major projects to commence in the Hunter region include development works on the West Charlestown By-pass, Newcastle/Port Stephens Road and Avoca Drive.

A major new initiative commencing in 1996-97 is the New South Wales and Commonwealth Governments' commitment to spend in the vicinity of \$220 million (of which New South Wales will contribute \$160 million) each year over the next ten years on the Pacific Highway. This comprises an ongoing commitment by the State Government to maintain a \$100 million per annum level of funding for major projects, maintenance improvements and minor traffic works plus a Commonwealth Government commitment to match, on a dollar for dollar basis, additional major works with an average expenditure program of \$120 million per annum over ten years.

A key feature of this agreement was the commitment from the Commonwealth Government that it would continue to identify untied road grants to New South Wales in the Commonwealth Budget, and that New South Wales would spend all the untied road grants on roads. Major works-in-progress on the Highway include the Taree By-pass, Raymond Terrace By-pass, Raleigh Deviation and Chinderah By-pass. Major new works commencing in 1996-97 will be announced when the State Government and the new Commonwealth Government have agreed on the joint program.

Other significant allocations on the North Coast include the Summerland Way and improvements to the Tweed Coast Road.

In the Illawarra, work on two major road interchanges will be continued on the F6 at Gwynneville and the Princes Highway at Oak Flats.

A major noise abatement program is proposed with \$15 million allocated in 1996-97. This program includes noise mitigation works on the Mt Ousley Road, the F6 at Dapto and at the Ghost Creek Interchange to Northcliffe Drive.

Works-in-progress on the Princes Highway will continue to an early completion of the deviation at Myrtle Gully north of Ulladulla and the provision of additional overtaking lanes south of Gerringong. The Gobba Bridge at Wagga Wagga will also be opened to traffic. The Newcastle to Dubbo route will continue to be upgraded, recognising its importance for freight.

In the far west of the State, the sealing of important routes will include the Kidman Way and the East West Route from Bourke to Narrabri. In the mid-west it will include the continuation of significant local works on the Mid-Western Highway east of Cowra and the Trunkey to Abercrombie Caves Road. Road safety of narrow bridges will also be improved on the Mid-Western Highway and the Orange to Parkes route.

Under the National Highway system, major works including the F3 extension from Minmi to the New England Highway and construction of the Ourimbah missing link will continue in 1996-97. New development works on the New England Highway will include the Belford Forest Deviation, the continuation of improvements to the Liverpool Range and a number of major intersection improvements along the route. Planning work will continue for the Western Sydney Orbital route pending funding approval by the Federal Government. On the Federal Highway, work will continue on the \$130 million four lane freeway to replace the dangerous Lake George section.

A Public Transport Infrastructure Improvement Program (\$35 million in 1996-97) has been established to improve priority for buses and make transfers easier at railway interchanges and commercial centres. Bus priority measures consist of more bus lanes, transit lanes, special 'B' signals and bus bays. Examples of these measures are upgrading bus priority on routes to the Liverpool, Blacktown and Parramatta business districts and a bus-rail interchange on Epping Road. Facilities, including car parking, are being provided at key interchanges such as Seven Hills and Woy Woy. At Westmead Hospital, a package of signals, roundabouts and turning bays will be constructed to improve traffic conditions in the area and additional parking will be provided at Wentworthville station.

The Public Transport Infrastructure Improvement Program involves \$170 million over four years and is to be funded by the '3x3' fuel levy. The Program also covers the replacement and upgrading of railway level crossings and the maintenance of road bridges over rail lines. Railway level crossings are to be replaced with overbridges at Leumeah, Quakers Hill and Riverstone. Completion of the overbridge at Narellan Road, Campbelltown is programmed for 1996-97.

Capital traffic management improvements are also being targeted to strategic routes. These include intersection improvements and the upgrading and fine-tuning of the co-ordinated traffic signal system and a \$30 million road safety program that will address a reduction in the number of accident blackspots sites throughout the State.