



PARLIAMENTARY BUDGET OFFICE

NSW Parliament • Parliament House, Macquarie Street Sydney 2000

Referred by: Australian Labor Party **Proposal No:** C966
Date Referred: 14/12/2022 **Date Published:** 20/03/2023
Proposal Title: Establish a Georges River Koala National Park
Cluster: Planning and Environment

General Government Sector Impacts

	2022-23 \$'000	2023-24 \$'000	2024-25 \$'000	2025-26 \$'000	4-year Total \$'000
Expenses (ex. depreciation)					-
Depreciation					-
Less: Offsets					-
Revenue					-
Net Operating Balance:	-	-	-	-	-

Capital Expenditure					-
Capital Offsets					-
Net Capital Expenditure:	-	-	-	-	-

Net Lending/(Borrowing):	-	-	-	-	-
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Total State Sector Impacts

Net Lending/(Borrowing):	-	-	-	-	-
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Notes and costing assumptions:

The policy proposes to establish a Georges River Koala National Park, a Koala Care Centre and koala-friendly road infrastructure.

The policy states that:

- all public land near the Georges River (see *Figure 1*) will be transferred to National Parks and Wildlife Service (NPWS)
- costs to build koala-friendly crossings as identified in the Cumberland Plain Conservation Plan (CPCP) will be met from existing resources
- costs to build a Koala Care Centre in Macarthur will be met from existing resources.

The policy assumes that costs would be met within existing agency resources. Based on estimates provided by the Department of Planning and Environment (DPE), the Parliamentary Budget Office (PBO) considers this to be feasible with the following caveats (see table overleaf).

Notes and costing assumptions continued:

Summary of costs	Cost estimates	PBO Assumptions
Private land acquisition	\$125 million (of which \$15 million is budgeted in 2022-23)	Nil budget impact if park is established on public land; otherwise, private land acquisition costs (subject to valuation changes) will require additional funding.
Operating expenditure (including labour)	\$7-8 million per year	Can be absorbed by the agency at a cost of reducing the budget for other programs and/or charging a modest fee to enter/visit the park.
Private land acquisition and construction completion for Ousedale Crossing at Appin Rd	\$11-16 million (of which \$3 million is budgeted in 2022-23)	Nil budget impact if CPCP budget is reallocated to meet funding required.
Construction of Upper Canal Crossing at West Ousedale	\$300,000	Can be absorbed by the agency as this is equivalent to about 0.04% of DPE's annual capital budget (based on 2022-23 allocation).
Koala care facility	\$7.5 million	Can be absorbed by the agency at a cost of reducing the budget for other capital works. Note that this facility was not recommended in the CPCP.

Park Establishment

The PBO assumes that the policy will establish the national park on public land, hence no private land acquisition costs have been accounted for. The PBO further assumes that the transfer of public land to NPWS will occur with no consideration payable.

The PBO notes that the Georges River Koala Reserve proposed in the [CPCP](#) (DPE, 2022) covers some private land. If the same areas were used for the park, it would cost approximately \$125 million to acquire private properties based on estimates provided by the Department. Further, the PBO notes that of the \$114 million budgeted by the NSW Government (over five years) to implement actions in the CPCP, \$15 million of capital in 2022-23 is set aside for the purchase of three properties for the reserve.

No allowance for infrastructure to support passive recreational activities, carparks and other visitor infrastructure has been included in the costing. If these are to be built, DPE estimated \$19 million of capital over three years will be required.

DPE advised that staff and operating costs will be incurred for planning and operation of the park. These include 12 staff and costs related to site investigation, consultancy, pest and weed management, demolition, asbestos removal, and bush generation. DPE estimated these to cost \$23 million over the forward estimates, or about \$8 million per year (see table below).

The policy states that costs would be met within existing agency resources. The PBO considers this to be feasible if NPWS charges a modest fee to enter/visit the park and/or if funding for other existing projects is reduced.

	2022-23 \$'000	2023-24 \$'000	2024-25 \$'000	2025-26 \$'000	4-year Total \$'000
Staff costs		1,449	1,485	1,522	4,457
Other operating costs		6,112	6,280	6,453	18,845
Total costs		7,561	7,765	7,975	23,301

Koala-friendly crossings

DPE advised three koala-friendly crossings as identified in the CPCP.

The Kings Falls Bridge Crossing is budgeted and expected to be completed in 2022-23.

Notes and costing assumptions continued:

The Ousedale Crossing at Appin Road is still under construction, for which \$3 million is budgeted in 2022-23. However, DPE anticipates that a further \$8-13 million will be required to acquire land and complete construction. This additional cost is not budgeted. The PBO notes that if the budget for other actions within the CPCP is reallocated to meet the additional cost estimated for this crossing, then the resulting impact on the budget will be nil.

Construction for the Upper Canal Crossing at West Ousedale is not budgeted, but based on estimates received from DPE, the associated costs will be immaterial (\$300,000). The PBO considers it feasible for this cost to be met within existing resources.

Koala Care Centre in Macarthur

DPE advised that it would cost \$7.5 million over two years to build a Koala Care Centre in Macarthur. This estimate is based on actual costs incurred for the koala facility at Port Macquarie.

The policy states that this will be met within existing resources. The PBO notes that in order for this to be feasible, some funds from the CPCP budget should be reallocated to the Koala Care Centre, or an offsetting reduction in the budget for existing NPWS capital works should be found.

Figure 1. Map of proposed Georges River Koala Park

