

NSW

New South Wales

WWG

**WORKING with
GOVERNMENT**



New South Wales
TREASURY

Public-Private Partnerships in New South Wales

PRESENTATION TO OECD CONFERENCE ON INVESTMENT
FOR DEVELOPMENT: MAKING IT HAPPEN

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Presentation outline

- Background
- Infrastructure planning
- Public Sector Comparator
- Accounting treatment
- Experience



Background

- 6.7 million people; 800,000 km²
- Gross State Product = A\$283 billion
- AAA Standard & Poor's credit rating
- 45% of top 500 Australian and NZ companies based in NSW
- Average growth rate = 3.4% pa

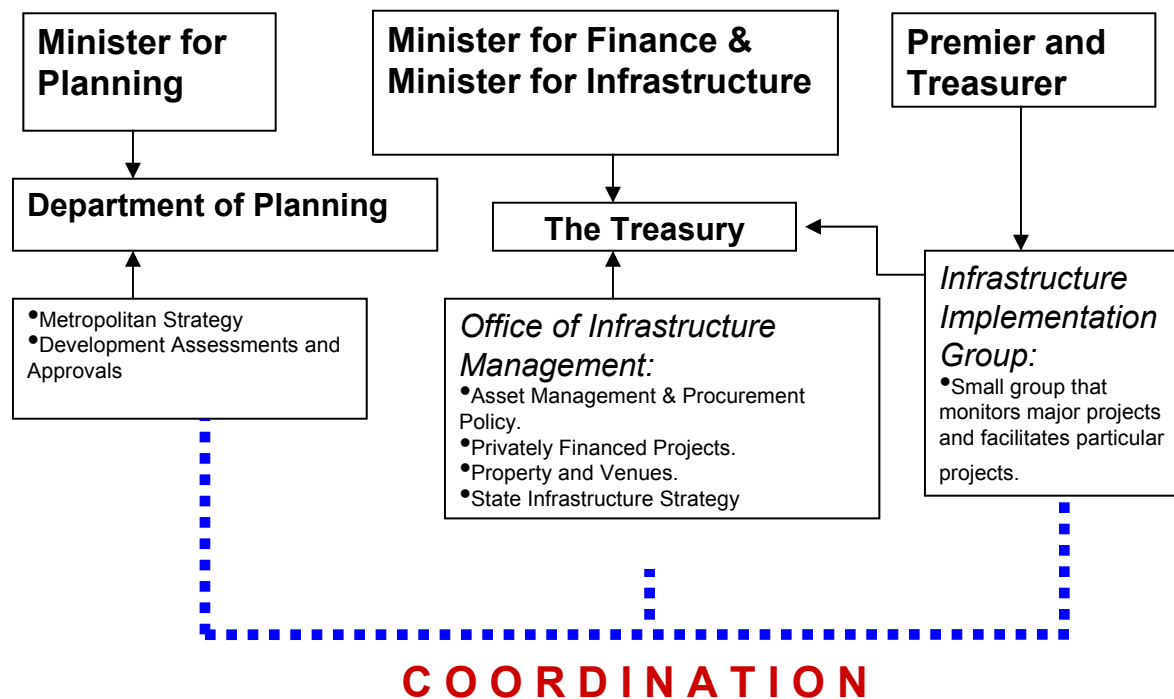


Infrastructure Planning

- Agency-level planning:
 - ❖ Results and Services Plan
 - ❖ Total Asset Management Plans
 - ❖ Economic/financial appraisals
 - ❖ Others
- Cabinet Committees:
 - ❖ Infrastructure Planning Committee
 - ❖ Budget Committee

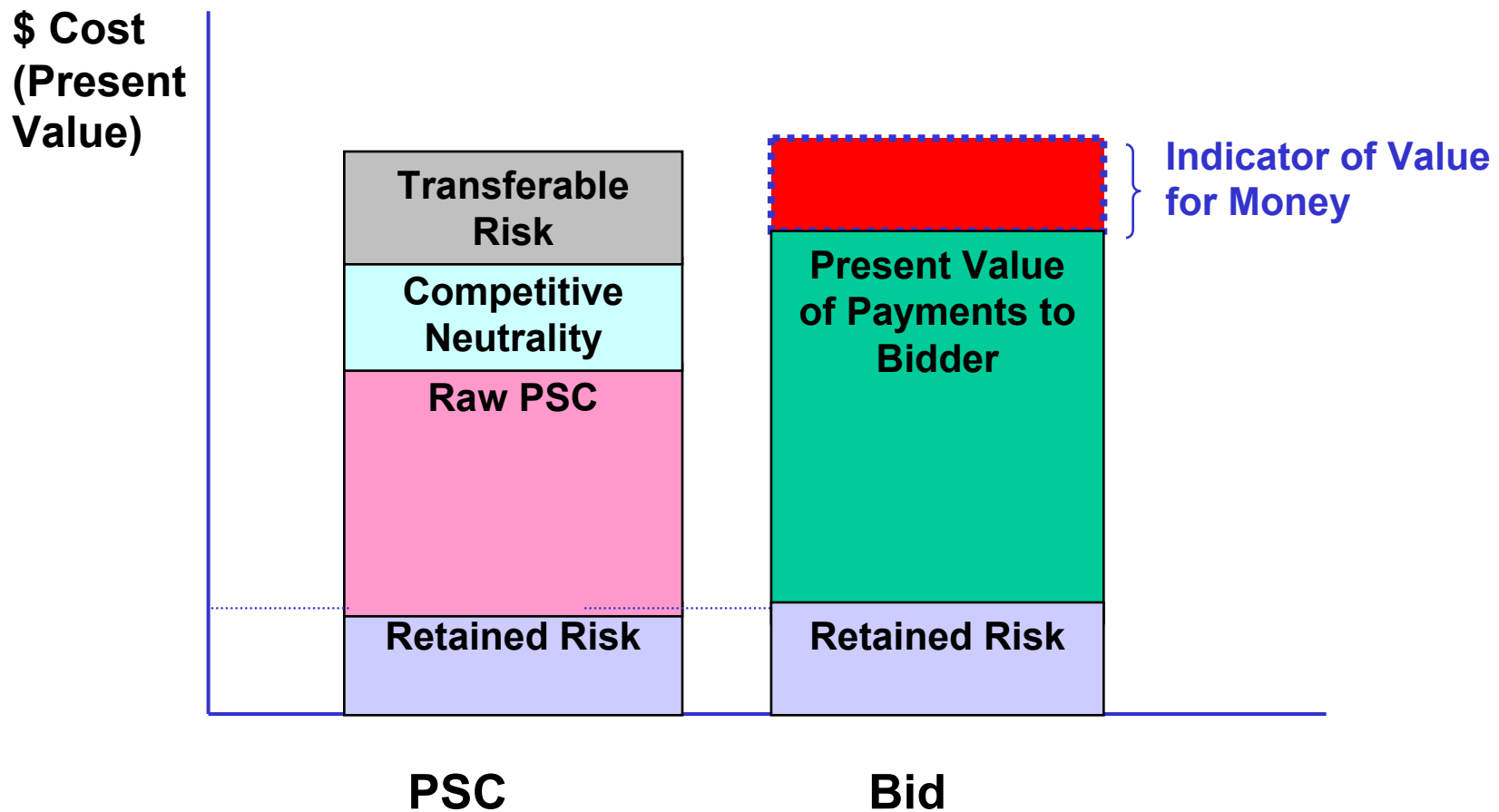


Infrastructure Planning





Using the PSC to evaluate PFP Bids





Accounting treatment

- Budget effects of social infrastructure
- Balance sheet effects of social infrastructure
- Budget effects of economic infrastructure
- Balance sheet effects of economic infrastructure



Experience in NSW

- Problems have only arisen in two projects
 - Port Macquarie Base Hospital
 - Airport Rail Link



Conclusion

- Infrastructure planning at agency level; approvals at Cabinet level
- Importance of the PSC
- Different accounting treatment for social/economic infrastructure
- Have learned from rare problems that have arisen