

## Policy costing

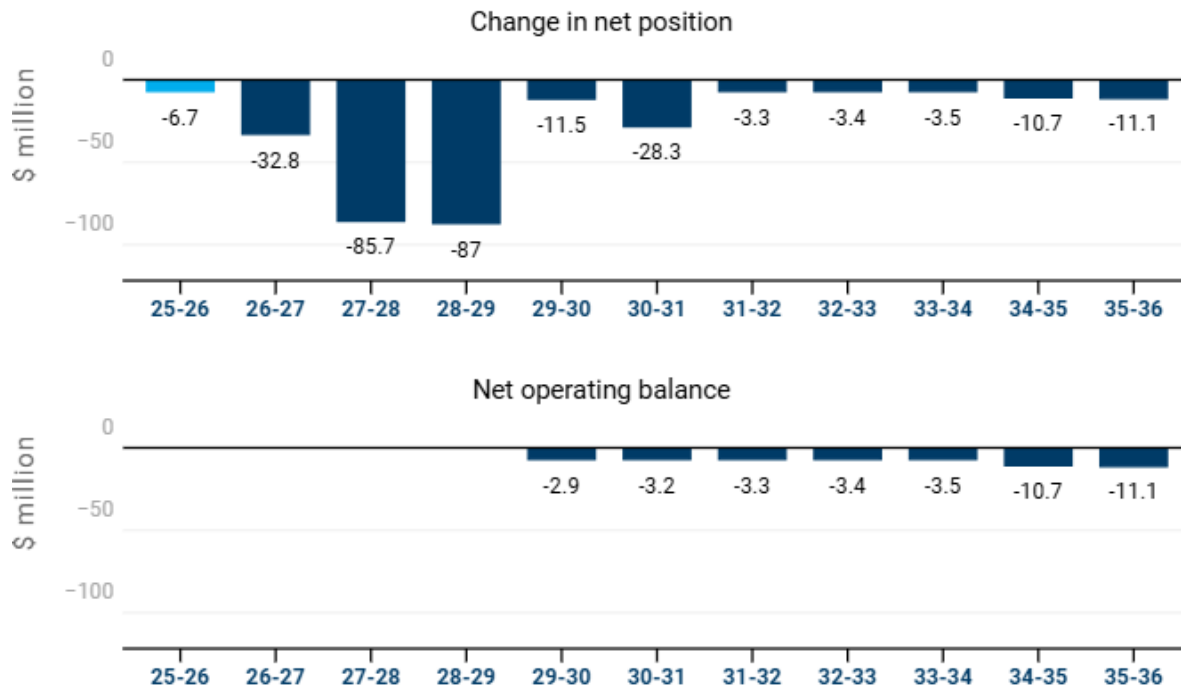
### Upfield line: duplicate the track to Upfield

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<b>Political party</b>	The Australian Greens - Victoria
<b>Requestor</b>	Ms Ellen Sandell MP
<b>Request date</b>	28 May 2025
<b>Response date</b>	25 June 2025
<b>Policy commencement</b>	1 July 2025
<b>Policy conclusion</b>	Ongoing
<b>Policy summary</b>	<p>This policy would:</p> <ul style="list-style-type: none"><li>▪ duplicate the Upfield railway line between Gowrie and Upfield stations</li><li>▪ build an additional platform at Upfield railway station</li><li>▪ retain the level crossing on Barry Road, Upfield.</li></ul>
<b>Budget baseline</b>	May 2025 budget
<b>Expiry date of this response</b>	At the release date of the next Victorian Government budget or budget update.

# Our response

## Budget impact



## Costing components



Source: Parliamentary Budget Office.

## Context

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Currently, most of the Upfield railway line is double track. However, there is a single-track section between Gowrie and Upfield stations which limits the number of services that can operate on the line. Duplicating this section of track and building an additional platform at Upfield Station would allow more train services to operate on the line.

## Costing overview

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We expect this policy to decrease the state's budgeted net position by:

- \$212.2 million across 2025–26 to 2028–29, this entirely reflects an increase in assets due to upgrading rail infrastructure
- \$284.0 million across 2025–26 to 2035–36, this reflects:
  - an increase in assets of \$246.0 million due to upgrading rail infrastructure
  - an increase in operating expenses of \$38.1 million due to ongoing asset maintenance.

The total estimated investment (TEI) reflects the amount of expenditure needed to undertake the asset works, but excludes the associated operating, maintenance expenses and finance lease costs. We expect this policy to have a TEI of \$246.0 million from the commencement of asset works in 2025–26 to completion in 2030–31.

This cost estimate is sensitive to:

- the final designs of the rail track and station upgrades
- changes in cost escalation rates.

## Our approach

### Assumptions

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When costing this policy, we made the following assumptions:

1. The Upfield line rail corridor, including the Upfield Station precinct, does not contain contaminated land or material that would require removal.
2. No acquisition of properties or land adjacent to the line and station would be necessary.
3. Construction profiles would be consistent with similar rail infrastructure upgrade projects.

### Method

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When costing this policy, we:

- investigated the configuration and infrastructure of the Upfield rail line
- determined the length of track to be duplicated

- estimated the cost of duplicating the rail track between Gowrie and Upfield stations
- estimated the area of land near Upfield Station required for an additional platform
- estimated the cost of constructing an additional platform at Upfield Station
- estimated the cost of maintaining the upgraded rail infrastructure.

## Data sources

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- AECOM. 2021. IV 118 Transport Cost Estimate to support Cost Benefit Analysis. [ONLINE] Available at: <https://www.infrastructurevictoria.com.au/project/30-year-strategy/> [Accessed 10 June 2025]
- Google. 2025. Google Maps. [ONLINE] Available at: <https://www.google.com/maps/> [Accessed 10 June 2025]
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- Vicsig. 2025. Upfield. [ONLINE] Available at: <https://vicsig.net/infrastructure/location/Upfield> [Accessed 10 June 2025]
- Vicsig. 2025. Upfield Line. [ONLINE] Available at: <https://vicsig.net/infrastructure/line/upfield> [Accessed 10 June 2025]

# Attachment A– Detailed budget impacts

## Year-on-year impacts

(\$ million)	2025–26	2026–27	2027–28	2028–29	2029–30	2030–31	2031–32	2032–33	2033–34	2034–35	2035–36
Revenue	-	-	-	-	-	-	-	-	-	-	-
Expense	-	-	-	-	2.9	3.2	3.3	3.4	3.5	10.7	11.1
Net operating balance	-	-	-	-	-2.9	-3.2	-3.3	-3.4	-3.5	-10.7	-11.1
Assets	6.7	32.8	85.7	87.0	8.7	25.1	-	-	-	-	-
Leases	-	-	-	-	-	-	-	-	-	-	-
Change in net position	-6.7	-32.8	-85.7	-87.0	-11.5	-28.3	-3.3	-3.4	-3.5	-10.7	-11.1

## Cumulative impacts

(\$ million)	2025–26	2026–27	2027–28	2028–29	2029–30	2030–31	2031–32	2032–33	2033–34	2034–35	2035–36
Revenue	-	-	-	-	-	-	-	-	-	-	-
Expense	-	-	-	-	2.9	6.1	9.4	12.8	16.3	27.0	38.1
Net operating balance	-	-	-	-	-2.9	-6.1	-9.4	-12.8	-16.3	-27.0	-38.1
Assets	6.7	39.5	125.2	212.2	220.9	246.0	246.0	246.0	246.0	246.0	246.0
Leases	-	-	-	-	-	-	-	-	-	-	-
Change in net position	-6.7	-39.5	-125.2	-212.2	-223.8	-252.0	-255.3	-258.8	-262.3	-273.0	-284.0

Notes: Figures may not sum due to rounding. Consistent with Victorian Budget Paper No.3 – Service Delivery, we do not consider changes to interest, depreciation expense nor non-cash adjustments. The net operating balance measures the gap between government revenue and expenses, and is an indicator of the policy's impact on operating sustainability. A positive change indicates that this policy would improve the net operating balance of the state budget. The net position measures the gap between government revenue and expenses, and movements in financial and non-financial assets. It is an indicator of the policy's impact on the state budget, and is more appropriate for comparing policy costings. A positive change indicates that this policy would improve the net position of the state budget.

Source: Parliamentary Budget Office.