

## Appendix 1 Submissions

No	Author
1	Mr Mike Hannon, NSW Roads and Traffic Authority
2	Mr Stephen Kozicki, Gordian Business
3	Mr Flash Langley
4	Ms Leonie Blair
5	Mr Alan Limbury
6	Mr Neville Peck
7	Mr Ross Nolan, Aircar Industry
8	Mr Matt Mushalik
9	Mr Richard Gration, Owners Corporation (the Horizon)
10	Dr David Sonnabend
11	Mr Tony Harris
12	Mr Bruce Loder
13	Mr Michael Rolfe, Natural Allies
14	Mr Bob Lemon
15	Mr Peter Ramshaw, NSW Taxi Council Ltd
16	Mr Peter Whitehead
17	Ms Robyn Hall
18	Mr Will Trippas
19	Mr Sam Harding
20	Mr Ralf Harding
21	Mrs Carole Ferrier
22	Mr Peter Mills
23	Mr Stephan Gyory, Darlinghurst Business Partnership
24	Mrs Kama Harding
25	Mr Jonathon Falk, Jonathon Falk Planning Consultants Pty Ltd
26	Mrs Elinor Wrobel, John Passmore Museum of Art 26a – Mrs Elinor Wrobel, John Passmore Museum of Art
27	Miss Jane Barnett
28	Ms Mary-Ann Bonney
29	Mrs Kylie Cossa
30	Ms Felicity Crombach
31	Miss Catherine Lyons
32	Mr Barrie Shepherd

No	Author
33	Mr W.G. Hamilton
34	Mr Alex Unwin, Bicycle New South Wales
35	Ms Suzanne O'Connor, Kings Cross Community Liaison Group
36	Mr Warwick Hatton, Woollahra Municipal Council
37	Mr Richard Jones
38	Mr Peter Sansom, CrossCity Motorways Pty Ltd
39	Dr Deborah Dearing, The Royal Australian Institute of Architects
40	Ms Elizabeth George, Cross City Tunnel Action Group
41	Dr Ray Kearney, Lane Cove Tunnel Action Group Inc
42	Dr Norman Thompson
43	Mr Craig Tansley
44	Ms Lucy Robertson
45	Mr Geoff Phillips
46	Ms Julia Perry, Darlinghurst Residents Action Group
47	Ms Jan Morrison
48	Dr Gerard Milton
49	Ms Narelle Thirkettle, Sydneysiders Against Polluting Stacks and Ms Lalita Lakshmi, UnitingCare Harris Community Centre
50	Mr Charles Kelly
51	Mr Benjamin Kelly
52	Ms Wanda Jaworski, 2011 Residents Association Incorporated
53	Ms Jo Holder, Action City East 53a – Ms Jo Holder, Action City East
54	Mr Brett Gale, NRMA Motoring and Services
55	Mr Richard d'Apice
56	Mr Malcolm Duncan - Partially Confidential
57	Mr John Oultram
58	Mr Mark Curren, Residents Against Polluting Stacks
59	Ms Denyse Rockey
60	Mr Peter Snepvangers
61	Ms Stacey Miers, Residents of Woolloomooloo
62	Ms Jill Yates, City of Sydney Residents' Network
63	Mr Michael Gormly
64	Ms Margy Osmond, State Chamber of Commerce
65	Mr Jozef Goj, UBTSC

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<b>No</b>	<b>Author</b>
66	Councillor Nick Dyer, Leichhardt Council
67	Professor Bob Walker and Ms Betty Con Walker
68	Professor Anthony Blackshield
69	Mr Gregory Reich

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## Appendix 2 Witnesses

<b>Date</b>	<b>Name</b>	<b>Position and Organisation</b>
6 December 2005	Mr Paul John Forward	former Chief Executive, Roads and Traffic Authority
	Mr Michael John Hannon	Acting Chief Executive, Roads and Traffic Authority
	Mr Brett James Skinner	Director of Finance, Roads and Traffic Authority
	Mr Leslie Robert Wielinga	Director Motorways, Roads and Traffic Authority
	Mr Christopher Patrick Ford	Director Traffic and Transport, Roads and Traffic Authority
	Hon Robert John Carr	former Premier NSW
	Hon Michael Rueben Egan	former Treasurer NSW
7 December 2005	Mr Peter Sansom	Chief Executive and Managing Director, CrossCity Motorway Pty Ltd
	Dr Kerry Elizabeth Schott	Executive Director, Private Projects and Asset Management, NSW Treasury
	Mr Daniel Joseph Graham	Director, Private Finance Projects, NSW Treasury
	Mr Simon Arthur Yarwood Smith	Deputy Director General, Department of Environment and Conservation
	Ms Elizabeth Corbyn	Director General, Department of Environment and Conservation
	Mr Joe Woodward	Executive Director Operations, Department of Environment and Conservation
	Mr Sam Haddad	Director General, Department of Planning
9 December 2005	Hon Nicholas Frank Hugo Greiner	former Premier NSW
	Mr Christopher Joseph Wilson	Director, Masson Wilson Twiney Pty Ltd
	Dr John Louis Goldberg	Honorary Associate, Faculty of Architecture, University of Sydney
	Ms Clover Moore MP	Member for Bligh and Lord Mayor of Sydney

Date	Name	Position and Organisation
1 February 2006	Mr Anthony Clement Harris	former NSW Auditor General
	Professor Robert Graham Walker	Consultant, Centennial Consulting
	Ms Betty Con Walker	Principal, Centennial Consulting
	Ms Suzanne Lorraine O'Connor	former Member, Kings Cross Community Liaison Group
	Mr John Oultram	former Member, Kings Cross Community Liaison Group
	Mr Malcolm Bruce Duncan	former Member, Kings Cross Community Liaison Group
	Ms Jo Holder	Co-convenor, Action City East
	Ms Stacey Lee Miers	Member, Residents of Woolloomooloo
	Mr Stephan Rubenow Gyory	Communications Director, Darlinghurst Business Partnership
	Ms Julia Perry	Co-convenor, Darlinghurst Residents Action Group
	Ms Carole Rae Ferrier	Member, 2011 Residents Association
	Mr John Eric Pierce	Secretary, New South Wales Treasury
	Dr Kerry Elizabeth Schott	Executive Director, Private Project and Asset Management, New South Wales Treasury
	Mr Daniel Joseph Graham	Director, Private Project, New South Wales Treasury
Dr Colin Gellatly	Director General Premier's Department	
Professor Anthony Roland Blackshield	Emeritus Professor, Macquarie University	
Ms Michelle Zeibots	Transport researcher	
2 February 2006	Ms Deborah Jane Anderson	Adult Educator and Vice President, Eastern Sydney Neighbourhood Association
	Ms Suzanne Laurel Pynenburg	Business Manager, Sydney Church of England Girls Grammar School
	Ms Lalita Lakshmi	Community Development Worker, Harris Community Centre
	Mr Mark Curran	Representative, Groups Against Stack Pollution
	Ms Narelle May Thirkettle	Member, Air Quality Community Consultative Committee

Date	Name	Position and Organisation
	Dr Raymond Kearney	Representative, Groups Against Stack Pollution
	Dr Peter Charles Manins	Member, Air Quality Community Consultative Committee
	Mr Michael John Hannon	Acting Chief Executive, Roads and Traffic Authority
	Mr Brett James Skinner	Director of Finance, Roads and Traffic Authority
	Mr Leslie Robert Wielinga	Director Motorways, Roads and Traffic Authority
	Mr Christopher Patrick Ford	Director Traffic and Transport, Roads and Traffic Authority
	Mr Robert John Sendt	Auditor-General, New South Wales Audit Office
	Professor David Richmond AO	Special Adviser, Infrastructure Implementation Group, Premier's Department
	Mr Roger Frederick Wilson	Manager and Acting Chief Executive, State Transit Authority
	Mr Ian James Glasson	Manager and Director General, Ministry of Transport
	Mr Lyall William Kennedy	Manager and Director of Transport Planning, Ministry of Transport
	Dr Robert David Lang	Chief Executive Officer of the Sydney Harbour Foreshore Authority
	Ms Diana May Talty	Executive Director Major Projects, and Sydney Harbour Foreshore Authority
3 February 2006	Hon Craig John Knowles	former Minister for Infrastructure, Planning and Natural Resources NSW
	Hon Dr Andrew John Refshauge	former Minister for Planning NSW
	Mr Gregory Stewart	Manager, Public Infrastructure, Woollahra Municipal Council,
	Ms Kerri Lawson Huxley	Councillor, Woollahra Municipal Council
	Ms Margaret Eve Hamilton	Member, Central Community Liaison Group
	Ms Patricia Muller	Member, Central Community Liaison Group
	Mr Gundo Alpard Frenda	Member, Central Community Liaison Group

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<b>Date</b>	<b>Name</b>	<b>Position and Organisation</b>
	Ms Monique Louise Roser	President, New South Wales Division, Planning Institute of Australia
	Mr Ken Morrison	New South Wales Executive Director, Property Council of Australia
	Mr Garry Robert Bowditch	Project Director, Infrastructure Partnerships Australia
	Mr Dennis Russell O'Neill	Chief Executive Officer, Australian Council for Infrastructure Development
	Mr Peter Sansom	Chief Executive and Managing Director, CrossCity Motorway Pty Ltd
	Mr Paul Levins	General Manager, Operations and Corporate Affairs, Bilfinger Berger Australia

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## Appendix 3 Site visit to the Cross City Tunnel

Date	Location
13 February 2006	<p>The Chairman and members of the Committee went on a site visit of the Cross City Tunnel and surrounding streets. The route followed is as follows:</p> <ul style="list-style-type: none"> <li>• Macquarie Street to William Street eastbound.</li> <li>• Kings Cross – intersection of Darlinghurst and William streets.</li> <li>• Ward Avenue to Bayswater Road.</li> <li>• Bayswater Road to Cross City Tunnel westbound.</li> <li>• Cross City Tunnel westbound exit, link to Western Distributor and Anzac Bridge.</li> <li>• Cross City Tunnel eastbound, Western Distributor entrance.</li> <li>• Exit Cross City Tunnel at Bayswater Road.</li> <li>• Craigend Road to Kings Cross (intersection of Craigend Road and Victoria Street)</li> <li>• William Street to Crown Street.</li> <li>• William Street into Palmer Street northbound.</li> <li>• Sir John Young Crescent southbound</li> <li>• Sir John Young Crescent northbound to Cowper Wharf Road.</li> <li>• Cowper Wharf Roadway to Bourke Street.</li> <li>• Bourke Street southbound to William Street.</li> <li>• Note left turn only permitted.</li> <li>• Note entry to Eastern Distributor southbound.</li> <li>• William Street eastbound to Forbes Street.</li> <li>• Forbes Street southbound to Cathedral Street.</li> <li>• Cathedral Street westbound to Crown Street. Crown Street southbound to William Street, William Street eastbound, becomes Park Street.</li> </ul>



## Appendix 4 Road Changes following the SEIS

Description of proposed modifications as described in the Supplementary EIS  
Table 1 – Modifications to the Exits and the Surrounding Road Network

Road	Proposed Modification
Market Street Viaduct	widening of the three lane Market Street viaduct to provide for an additional traffic lane over a distance of 360 metres
Druitt Street Viaduct	relocation of a supporting pier
Domain Tunnel/Cahill Expressway	<ul style="list-style-type: none"> <li>◆ loss of access from Cowper Wharf Road and Palmer Street to Domain Tunnel and Macquarie Street;</li> <li>◆ access to the Domain Tunnel would only be available from the Cross City Tunnel and the Eastern Distributor; and,</li> <li>◆ traffic signals at Cowper Wharf Road would be removed.</li> </ul>
Sir John Young Crescent	<ul style="list-style-type: none"> <li>◆ relocation of the exit portal from the intersection with Palmer Street to the south west, in the vicinity of Crown Street;</li> <li>◆ provision of a southbound parking lane between Palmer and Crown Streets.</li> </ul>
Eastern Distributor connection	<ul style="list-style-type: none"> <li>◆ provision of the loop ramp connecting the Eastern Distributor (northbound) to William Street and the Cross City Tunnel on the outside rather than on the inside of the Bourke Street entry ramp;</li> <li>◆ relocation of the ramp connecting eastbound Cross City Tunnel traffic to the Eastern Distributor (southbound) 660 metres further west; and,</li> <li>◆ widening of the Eastern Distributor Tunnel over a length of 40 metres to accommodate Cross City Tunnel access.</li> </ul>
William Street	<ul style="list-style-type: none"> <li>◆ loss of right turn into Palmer Street;</li> <li>◆ potential for loss of right turn into Bourke Street;</li> <li>◆ introduction of right turns into Riley and Crown Streets;</li> <li>◆ extension of the existing westbound T2 lane from Forbes Street to the Kings Cross Tunnel.</li> </ul>
Palmer Street	<ul style="list-style-type: none"> <li>◆ introduction of one way traffic flow (southbound) between Sir John Young Crescent and Cathedral Street;</li> <li>◆ removal of traffic signals at the intersection with Sir John Young Crescent; and,</li> <li>◆ provision of an additional northbound 25 metre right turn lane on the approach to William Street.</li> </ul>
Crown Street	reconfiguring for northbound traffic
Access to Rail Yards and Domain Carpark	retain existing separate access to these facilities in place of the approved combined access way including dismantling and reassembly or removal of a section of heritage listed stone wall.

Road	Proposed Modification
Kings Cross Tunnel	<ul style="list-style-type: none"> <li>◆ traffic to enter and exit the Cross City Tunnel east of the Kings Cross Tunnel instead of within the Kings Cross Tunnel, requiring a reduction from three to two lanes in each direction within the Kings Cross Tunnel; and,</li> <li>◆ provision of a daytime T2 Transit Lane in the Kings Cross Tunnel and along William to Forbes Street.</li> </ul>
Kings Cross Road	altered kerblines and road width east of Darlinghurst Road
Craigend Street	<ul style="list-style-type: none"> <li>◆ altered kerblines and road width east of Darlinghurst Road; and,</li> <li>◆ changes to pedestrian arrangements (westbound) at the intersection with McLachlan Avenue.</li> </ul>
Bayswater Road	altered kerblines and road width west of Neild Avenue
New Ward Avenue Ramp	new single lane eastbound ramp from Ward Avenue providing access to Neild Avenue

Source: Director General's Report on the SEIS, pp8-9

## Appendix – part 2

Table of revisions to the SEIS proposal, all of which were adopted. The revisions arose following the Supplementary Representations Report, and modified the changes in the SEIS, outlined in the table above.

Table 5 – Comparative assessment of the impacts of the proposed additional modifications

Description of Additional Modification	Justification	Potential Impacts	Estimated Positive or Negative Impact Compared to the Modifications Proposed in the Supplementary EIS	Nature of Impact
Revisions to Traffic Arrangements in Woolloomooloo	The Supplementary Representations Report indicates that this revision would improve access for local residents and provide efficient traffic circulation in the Woolloomooloo area	Regional Traffic (See Section 6.5)	<b>Negative</b> due to loss of relatively direct access to the Eastern Distributor (southbound) from William Street.	New Minor Change
For an outline of proposed revisions see Section 5.1.2 of this Report and Figures 6 a - b		Local Traffic and Access (See Section 6.6)	<b>Positive due to provision of more direct access to the north-east of the CBD</b>	<b>Major Change</b>
		Construction Issues (see Section 6.10)	<b>Positive</b> due to reductions in impacts on Cathedral Street and St Marys Road	Minor Change
			<b>Negative</b> to traffic increases on Riley Street	Minor Change
			<b>Negative</b> due to construction stage traffic impacts associated with roundabout construction	Minor Change
Direct Connection to the Domain Tunnel from Cowper Wharf Road	The Supplementary Representations Report indicates that this revision would allow for direct access to Harbour Crossing for northbound road users from Woolloomooloo	Regional Traffic (See Section 6.5)	<b>Positive due to maintenance of access to the Domain Tunnel from Cowper Wharf Road</b>	<b>New Major Change</b>
For an outline of this proposed revision see Section 5.1.3 of this Report and Figure 6 c		Physical Property Impacts (See section 7.3)	<b>Positive</b> due to maintenance of access from the Domain Tunnel to Macquarie Street via Cowper Wharf Road	Minor Change
		Landscaping (See Section 6.10)	<b>Negative</b> due to need to excavate rock from under the Domain land bridge and potential for stability issues	Minor Change
			<b>Negative due to loss of fig trees in the median of the Cahill Expressway</b>	<b>Major Change</b>

Description of Additional Modification	Justification	Potential Impacts	Estimated Positive or Negative Impact Compared to the Modifications Proposed in the Supplementary EIS	Nature of Impact
		Construction Issues (See Sections 7.1 and 6.10)	Negative due to need for additional road closures and additional worksite	Minor Change
<p>Revisions to Sir John Young Crescent Exit Ramp.</p> <p>For an outline of these revisions see Section 5.1.4 of this Report and Figure 6c</p>	<p>The Supplementary Representations Report indicates that this change would allow for more efficient tunnel alignment generally with flatter grades while reducing impacts on utilities, trees, the Woolloomooloo Drain</p>	<p>Local Traffic (See Section 6.6)</p> <p>Landscaping (See Section 6.10)</p> <p>Physical Property Impacts (See Section 7.3)</p> <p>Construction Issues (see Sections 6.10)</p> <p>Heritage (See Section 7.5)</p>	<p>Positive due to improved tunnel grades</p> <p>Positive due to improved weaving and merging</p> <p>Positive due to retention of Plane Trees</p> <p>Positive due to slightly reduced risk of settlement</p> <p>Positive due to elimination of need to close Riley Street during construction</p> <p>Positive due to reduced impacts on utilities</p> <p>Positive due to reduction in impact on the Woolloomooloo Drain</p>	<p>Minor Change</p> <p>Minor Change</p> <p>Major Change</p> <p>Minor Change</p> <p>Minor Change</p> <p>Minor Change</p> <p>Minor Change</p>
<p>Provision of a Ventilation Duct Tunnel and Spur Tunnel Connection.</p> <p>For an outline of this proposed revision see Section 5.1.5 of this Report</p>	<p>The Supplementary Representations Report indicates that the ventilation duct tunnel would ensure that in the event of a sustained period of congestion or blockage, the in-tunnel air quality criteria would continue to be met without the</p>	<p>Air Quality (See Section 6.2)</p> <p>Spoil Management (See Section 7.2)</p>	<p>Positive due to improvements in in-tunnel air quality</p> <p>Positive due to reductions to circumstances where portal emissions would occur</p> <p>Negative due to 69 000 m<sup>3</sup> increase in spoil generation and associated traffic</p>	<p>Major Change</p> <p>Minor Change</p> <p>Major Change</p>

Description of Additional Modification	Justification	Potential Impacts	Estimated Positive or Negative Impact Compared to the Modifications Proposed in the Supplementary EIS	Nature of Impact
and Figure 6d	need for portal emissions. The stub connection would allow for the possibility of a future ventilation stack to be included as part of the Darling Walk Complex	Urban Design (See Section 6.11)	<b>Positive</b> due to potential for ventilation stack to be incorporated into a building	Minor Change
Replacement of Car Parking Spaces in Rushcutters Bay.  For an outline of the proposed revision to parking arrangements see Section 5.1.6 of this Report and Figure 6e	The Supplementary Representations Report indicates that the additional spaces to be provided would improve the impact on amenity and local businesses	Impacts on Businesses (See Section 6.8)  Residential Amenity (See Section 6.9)	<b>Positive</b> due to reduction in net loss of parking from 20 to 5 spaces  <b>Positive</b> due to reduction in net loss of parking from 20 to 5 spaces	Minor Change  Minor Change
Relocation of Variable Message Signs.  For an outline of the proposed revision see Section 5.1.7 of this Report and Figure 6 f	The Supplementary Representations Report indicates that relocated VMS would provide road users with sufficient prior warning that they are entering a tolled tunnel and an opportunity to choose an alternate route. The three additional signs are required for better regional and local traffic management of incidents on surface streets	Traffic and Access (See Section 6.9)  Emergency Management (See Section 6.10)  Urban Design (See Sections 6.9 and 6.10)	<b>Positive</b> for identifying alternative toll-free routes  <b>Positive</b> due to better emergency management capabilities  <b>Negative</b> due to introduction of visual impact at new location  <b>Positive</b> due to elimination of visual impact at old location	Minor change  Minor Change  Minor Change  Minor Change

Description of Additional Modification	Justification	Potential Impacts	Estimated Positive or Negative Impact Compared to the Modifications Proposed in the Supplementary EIS	Nature of Impact
Provision of a Land Bridge over the Eastern Portal.  For an outline of this proposed revision see Section 5.1.8 of this Report and Figure 6 g	The Representations Report indicates that this revision would reduce the impacts of the new eastern portal on the residents of Rushcutters Bay Precinct and improve social amenity	Urban Design (See Section 6.9)  Noise (See Section 6.7)  Construction Issues (See section 7.1)	Positive due to provision of landscaped open space  Positive due to reductions in road noise emissions at residences near the land bridge  Negative due to intensification of road closures	Major change  Minor change  Minor change

Source: DG Report on SEIS, pp31-34

## Appendix 5 Road changes by category

The information in the following table is extracted from draft legal advice from Clayton Utz to the RTA on the effects of reversing the traffic restrictions implemented for the Cross City Tunnel, dated 8 October 2005.<sup>384</sup> The Committee acknowledges that some of the traffic changes that are identified as ‘not completed’ in the table may have been completed after 8 October 2005.

The table relies on a list of traffic changes prepared by the RTA, divided between four categories of changes:

<b>Category A</b>	Permanent works that CCM must design and construct under the Project Deed, which if removed, may expose the RTA to a provide MAE Relief to CCM under clauses 18.2 to 18.4 of the Project Deed
<b>Category B</b>	Permanent works that CCM must design and construct under the Project Deed, which if removed, will not expose RTA to a liability to provide MAE Relief to CCM under clauses 18.2 to 18.4 of the Project Deed
<b>Category C</b>	Temporary traffic arrangements during construction
<b>Category D</b>	Traffic arrangements that RTA proposes to implement that relate to the CCT but are not contemplated in the Project Deed or Planning Approval.

<sup>384</sup> Email from John Shirbin, Clayton Utz to Les Wielinga and Graham Read, RTA, 8 October 2005, pp2-6 and Annexure A

Classification	Completed item description	Status of item	Responsible for delivery	Project deed reference	EIS reference
	<b>1. West Zone</b>				
B	1. Bus crossover for eastbound contra flow bus lane into Druitt St	Completed	CCM		EIS section 7.5.2, p7-39
B	2. Removal of eastbound bus lane on Bathurst St viaduct and conversion to general traffic lane	Completed	CCM		EIS section 7.5.2, p7-29
A	3. Introduction of dedicated lane and shared lane into CCT Bathurst St portal	Completed	CCM	MAE 18.3.c	EIS section 7.3.3, p7-10
A	4. Widening of Market St viaduct to accommodate extra CCT exit lane	Completed	CCM	MAE 18.3.f	EIS section 7.3.3, p7-13
B	5. Line marking modification of Market St and Harbour Bridge lane merge	Completed	CCM		SEIS section 2.4.2, p2-8
B	6. Provision of dual left turn lane from WD into Harbour St northbound at Bathurst St	Completed	CCM		
B	7. Additional left turn lane introduced from Harbour St southbound into Bathurst St	Completed	CCM		EIS section 7.3.3, p7-9
B	8. Introduction of right turn bay from WD eastbound into Harbour St southbound	Completed	CCM		
B	9. Closure of Day St access between Druitt and Bathurst	Completed	CC		EIS section 7.3.3, p7-11
B/D	10. Removal of eastbound bus lane on Bathurst St between Day and Kent Sts	Completed	CCM/RTA		EIS section 7.5.1, p7-29
A	11. Introduction of CCT entry in Harbour St northbound	Completed	CCM	MAE 18.3.m	EIS section 7.3.3, p7-9
A	12. Introduction of CCT exit lanes to Harbour St northbound and Bathurst St eastbound	Completed	CCM	MAE 18.3.g	
B	13. Druitt St viaduct changed from westbound bus lane plus two traffic lanes to westbound bus lane, general traffic lane and eastbound bus lane	Completed	CCM		EIS section 7.3.3, p7-12 and EIS section 7.5.2, p7-39
A	14. Druitt St contra flow bus lane from Sussex to York Sts introduced	Completed	CCM	MAE 18.2.a.vi	EIS section 7.5.2, p7-39

Classification	Completed item description	Status of item	Responsible for delivery	Project deed reference	EIS reference
A	15. Druitt St between Kent and Clarence Sts closed to general traffic and introduction of bus lane in middle lane	Completed	CCM	MAE 18.2.a.v	EIS section 7.5.2, p7-39
B	16. Druitt St, Clarence to York. Changed from four lanes to one westbound bus lane, one eastbound bus lane and one westbound right turn lane into Clarence St	Completed	CCM		EIS section 7.5.1, p7-30
D	17. Westbound right turn ban from Park St into George St banned and northbound left turn from George St into Market St banned	CCT temporary arrangement/ RTA works	CCM		
C	18. Two southbound lanes in Sussex St between Druitt and Bathurst Sts temporarily changed to two lanes southbound and one lane northbound	CCT temporary arrangement	CCM		
B	<b>2. Central zone</b> 1. Construction of midblock blister in previous parking lane at Park St Hyde Park pedestrian signals	Completed	CCM	Change order 28	
B	<b>3. Cowper Wharf zone</b> 1. Installation of roundabout and pedestrian crossing at intersection of Sir John Young Cres and removal of traffic lights	Completed	CCM		Supp Repts Report p7-8
A	2. Introduction of CCT exit portal at Sir John Young Cres	Completed	CCM	MAE 18.3.j	Supp Repts Report p7-7
B	3. Removal of traffic signals at intersection of Palmer St and Sir John Young Cres	Completed	CCM		SEIS section 2.4.2, p2-13
B	4. Palmer St changed from two northbound to one lane northbound and one lane southbound between Sir John Young Cres and Cathedral St	Completed	CCM		Supp Repts Report p7-8
A	5. Change from two lanes northbound from Sir John Young Cres through to Cahill Expressway to one lane northbound for access to Cowper Wharf Rd only, one lane from CCT to Cahill Expressway and one lane to Macquarie St only	Completed	CCM	MAE 18.3.j	Supp Repts Report p7-7
B	6. Reduction of two lanes southbound in Sir John	Completed	CCM		SEIS section

Classification	Completed item description	Status of item	Responsible for delivery	Project deed reference	EIS reference
	Young Cres from Cowper Wharf Rd to Palmer St to one lane southbound				2.4.2, p2-10
A/B	7. Introduction of low concrete median kerbs on lanes on Cahill Expressway from Sir John Young Cres to Macquarie St	Completed	CCM		SEIS section 2.4.2, p2-10
B	8. Reduction of two right turn lanes from Cowper Wharf Rd westbound to Cahill Expressway to one right turn lane	Completed	CCM		Supp Reps Report p7-3
B	9. Removal of one right turn lane from Cahill Expressway off ramp to Cowper Wharf Rd	Completed	CCM		SEIS Section 2.4.2, p2-14
A	10. Additional dedicated CCT lane added to Cahill Expressway	Completed	CCM	MAE 18.3.j	SEIS Section 2.4.2, p2-10
	<b>4. East zone</b>				
B	1. Removal of peak directional transit lanes on William St	Completed	CCM		EIS section 7.5.2, p7-39
C	2. Temporary occupation of two eastbound lanes in William St between College and Yurong Sts for footpath construction works in progress	CCT temporary arrangement	CCM		
A	3. William St from Yurong St to Dowling St removal of one eastbound lane and one westbound lane for footpath construction works in progress	Completed	CCM	MAE 18.2.a.i & ii	
D	4. Bourke St closed north of Eastern Distributor and closure of Bourke St south of William St	CCT temporary arrangement	CCM	Change order 53	
A	5. Removal of one westbound right turn lane from William St into Palmer St	Completed	CCM	MAE 18.2.a.i	EIS section 7.5.1, p7-34
A	6. Introduction of CCT entrance from ED northbound near Wisdom Lane	Completed	CCM	MAE 18.3.h	SEIS section 2.4.2, p2-13
B	7. Removal of one merging lane in Darlinghurst Rd onramp to William St at Darlinghurst Rd	Completed	CCM	Change order 28	
B	8. Introduction of bicycle lane on Craigend St between Roslyn St footbridge and Darlinghurst Rd	Completed	CCM		
B	9. Introduction of Ward Ave ramp between Ward Ave and Bayswater Rd	Completed	CCM		SEIS section 2.4.4, p2-23

Classification	Completed item description	Status of item	Responsible for delivery	Project deed reference	EIS reference
B	10. Introduction of a right turn bay from Craighend St westbound to Ward Ave northbound and removal on one through lane on Craighend St	Completed	CCM		SEIE section 2.4.4, p2-23
A	11. Introduction of CCT entry adjacent to Craighend St	Completed	CCM	MAE 18.3.1	SEIS section 2.4.4, p2-23
B	12. Craighend St increase from 3 through to 4 lanes between Neild Ave and McLachlan Ave, by removal of left turn restriction at Neild Ave and left turn slip lane at McLachlan St	Completed	CCM		
A	13. Introduction of eastbound CCT exit portal to Bayswater Rd	Completed	CCM	MAE 18.3.k	SEIS section 2.4.2, p2-13

Classification	Remaining item description	Status of item	Responsible for delivery	Project deed reference	EIS reference
	<b>1. West Zone</b>				
B	1. Install contraflow lane for general traffic in Bathurst St between Sussex St and Day St. Currently 3 lanes eastbound will change to 3 lanes eastbound plus one westbound	Permanent works not completed / CCM temporary arrangement to be removed	CCM		Supp Repts Report
A	2. Install final tunnel exit intersection configuration at Bathurst St and Harbour St. Introduces southbound access from CCT to Harbour St	Permanent works not completed / CCM temporary arrangement to be removed	CCM	MAE 18.3.g	
C	3. Remove two way working in Sussex St between Druitt St and Bathurst St, including removal of mid-block pedestrian crossing. Currently 2 lanes southbound plus one lane northbound will change to 3 lanes southbound	CCM temporary arrangement to be removed	CCM		EIS section 10.3.1
	<b>2. Central zone</b>				
B	1. Create a cycle lane on Park St Eastbound between George St and College St	Permanent works not completed	CCM		
A	2. Create a 24hr Bus Lane westbound on Park St between College St and Hyde Park pedestrian	Permanent works not completed	CCM	MAE 18.2.a.iv	EIS section 7.5.2, p7-39

Classification	Remaining item description	Status of item	Responsible for delivery	Project deed reference	EIS reference
A	signals – 1 lane for general traffic to remain 3. Create a 24hr Bus Lane eastbound on Park St between Elizabeth St and College St – 1 lane for general traffic to remain	Permanent works not completed	CCM	MAE 18.2.a.iii (westbound half) Change order 28	EIS section 7.5.2, p7-39
B	4. Remove the three slip lanes from the College/Park St intersection	Permanent works not completed	CCM	Change order 28	
B	5. Modify the Elizabeth St intersection – particularly the north east kerb alignment and convert dual right turn northbound in Elizabeth St to single right turn lane into Park St	Permanent works not completed	CCM	Change order 28	
B&D	6. Create a new bus lane southbound on Elizabeth St between Market St and Bathurst St by line marking adjustments	Permanent works not completed	CCM		
B	7. Convert Park St eastbound between George St and Castlereagh St to 1 parking lane, 1 cycle lane and 1 through lane for general traffic	Permanent works not completed	CCM		
B	8. Convert Park St westbound between Pitt St and George St to 1 cycle lane, 1 parking left lane, 1 through lane and 1 right turn lane	Permanent works not completed	CCM		
B	9. Provide right turn bays in Park St westbound into Pitt St and eastbound into Castlereagh St	Permanent works not completed	CCM		
C	10. Remove the dedicated left turn westbound in Park St into Castlereagh St	CCT temporary arrangement to be removed	CCM		
C	<b>3. Cowper Wharf Zone (College St east)</b> 1. Remove U Turn facility from Shakespeare Place	CCT temporary arrangement to be removed	CCM		
C	2. Re-instate the slip lane from Macquarie Street southbound into Shakespeare Place	CCT temporary arrangement to be removed	CCM		
D	<b>4. East zone</b> 1. Investigate Zipper merge for Darlinghurst Rd on	RTA works	RTA	None	None

Classification	Remaining item description	Status of item	Responsible for delivery	Project deed reference	EIS reference
	ramp/William St westbound including continuity of the T2 Transit Lane between Kings Cross Tunnel and Forbes St				
<b>D</b>	2. Investigate a dual left turn from Eastern Distributor exit to William St westbound	RTA works	RTA	None	None. Investigation included in RTA/AML agreement
<b>B</b>	3. Opening of the fourth exit lane (right turn) from Eastern Distributor at William St	Permanent works not completed	CCM		
<b>D</b>	4. Permanent closure of Bourke St northbound north of the Eastern Distributor. Change resulting from community consultation required under COA 288. Six month trial.	RTA works	RTA	None	COA 288
<b>D</b>	5. Permanent closure of Bourke St south of William St, incorporating cycle facilities to cross William St. Change resulting from community consultation required under COA 288. Six month trial	RTA works	RTA	None	COA 288
<b>B</b>	6. Paddington Local Area Traffic Management measures. Traffic calming measures on 3 local streets in Paddington – Glenmore Rd, Neild Ave and Brown St	Permanent works not completed	CCM	Project Deed Schedule 9	COA 59
<b>A</b>	7. Provide T2 Transit lane in Kings Cross Tunnel westbound. Currently two lanes westbound. One lane will be designated T2	Permanent works not completed	CCM	MAE 18.2.a.vii	SEIS section 2.4.5, p2-31
<b>A/B</b>	8. Provide T2 Transit Lane in William St westbound from Forbes St to College St. Currently two lanes westbound. One lane will be designated T2	Permanent works not completed	CCM	MAE 18.2.a.i applies to shorter length between Forbes St and Crown St	EIS section 7.5.1, p7-28
<b>A/B</b>	9. Provide T2 transit Lane in William St eastbound from College St to Palmer St. Currently two lanes eastbound. One lane will be designated T2	Permanent works not completed	CCM	MAE 18.2.a.ii applies to shorter length between Crown	EIS section 7.5.1, p7-28

Classification	Remaining item description	Status of item	Responsible for delivery	Project deed reference	EIS reference
B	10.Reduction in length of the William St left turn lane into College St southbound to accommodate footpath widening/parking	Permanent works not completed	CCM	St and Forbes St Change order 28	
B	11.Create a cycle lane on Kings Cross Rd eastbound between Darlinghurst Rd and Ward Ave	Permanent works not completed	CCM		
A	12.Create a cycle lane on William St eastbound and westbound between College St and Darlinghurst Rd	Permanent works not completed	CCM	MAE 18.2.a.i and 18.2.a.ii	
B	13.Create indented parking bays in William St, various locations between College St and Darlinghurst Rd	Permanent works not completed	CCM	Change order 28	
B	14.Queens Cross intersection reconfiguration, including removal of one right hand turn lane from Darlinghurst Rd to Kings Cross Rd and Darlinghurst Rd to William St on-ramp	Permanent works not completed	CCM	Change order 28	

## Appendix 6 Draft Treasury guidelines for the public disclosure of information arising from NSW Government tenders and contracts

Source: IIG *Review of Future Provision of Motorways in NSW*—Appendix 14

The purpose of these guidelines is to provide NSW government agencies with a practical model to determine what, how and when specific information arising from government tenders and contracts with the private sector should be publicly disclosed and what information should remain confidential. The requirements of these guidelines:

- are to be implemented by all agencies including Government Trading Enterprises (but excluding State Owned Corporations and Department of State and Regional Development contracts which involve industry support). Shareholding Ministers and boards of State Owned Corporations may give consideration to voluntarily adopting the guidelines by incorporating them in statements of corporate intent.
- apply to all transactions (including procurement, sale or disposal) such as for construction, infrastructure, property, goods, services and information technology and includes consultancies and lease agreements.

Disclosure requirements apply both through the tender process and once a contract has been awarded. Schedules of disclosure requirements for contracts are attached. The schedules establish it is government practice to:

- vary the routine disclosure of information according to the size and complexity of the contract;
- limit the extent of commercial-in-confidence material to very specific areas and not disclose it unless required by law; and
- treat the information in an unsuccessful tender as commercial-in-confidence and not disclose it unless required by law.

In addition to these requirements privately funded public infrastructure contracts also need to comply with disclosure requirements to Parliament set out in the “Working with Government - Guidelines for Privately Financed Projects” (see [www.treasury.nsw.gov.au](http://www.treasury.nsw.gov.au)).

### Method of disclosure:

Tender call documents are to contain advice that there are public disclosure requirements associated with the tender process and contracts that are awarded and where those requirements can be accessed.

Tender and contract information required to be routinely disclosed is to be posted on the government website <http://tenders.nsw.gov.au> operated by the Department of Commerce in addition to any other location agencies choose to use. Agencies not already using this website need to contact the Department of Commerce on telephone xxx or email xxx to make arrangements to post information on the site.

Contract information shall remain posted on the website until all work or services under the contract are completed, and/or all goods under the contract supplied. Tender information shall remain posted

on the website until the tender call process has been concluded and a contract either awarded or decision made not to award any contract.

Where a request is made for contract information not routinely disclosed and not commercial-in-confidence, the agency, in consultation with the party making the request, shall determine the most suitable method of providing that information.

### **Disclosure requirements**

Agencies must ensure that:

- **For all public calls for tender, expressions of interest or other such calls** which may result in a contract with the private sector, a concise description of the proposed works, goods or services the subject of the tender call, the date responses to the tender call close and location of the tender call documents (as a minimum) are routinely disclosed at the time such tender calls are advertised.
- **For all public calls for tender, expressions of interest or other such calls**, the names and addresses of all entities which submit responses are routinely disclosed within 7 days of the date tender calls closed.
- **In a multi-stage tender process**, the names and addresses of the shortlisted entities are routinely disclosed within 7 days of these entities being so advised.
- **For all contracts with an estimated value above \$100,000** (or where government transfers ownership of property valued over \$100,000), the items of the contract listed in Schedule 1 are routinely disclosed within 60 days of the contract becoming effective.
- **For contracts with an estimated value between \$100,000 and \$5 million** which result from a direct negotiation or are an Alliance type contract where the final contract terms are negotiated with the preferred tenderer, or which involve private sector financing, land swaps, asset transfers and similar arrangements, the items of the contract listed in Schedules 1 and 2 are routinely disclosed within 60 days of the contract becoming effective.
- **For contracts with an estimated value over \$5 million** which result from a direct negotiation or are an Alliance type contract where the final contract terms are negotiated with the preferred tenderer, or which involve private sector financing, land swaps, asset transfers and similar arrangements, the complete contract, less any commercial-in-confidence material, and any information provided under Schedules 1 and 2 which is not in the complete contract, are routinely disclosed within 60 days of the contract becoming effective.
- **For any contract**, if information not routinely disclosed for that contract but routinely disclosed on other contracts is requested, provide this information to the requesting party within 60 days of such request.

### **Commercial-in-Confidence material**

- The information listed in Schedule 3 is deemed to be commercial-in-confidence and is not disclosed.
- The information included in an unsuccessful tender is treated as commercial-in-confidence material. In exceptional circumstances, such information may be released with the agreement of the unsuccessful tenderer(s), or where the original tender provisions allowed for the release of such information.

- The preferred tenderer is to be invited to nominate items it considers are commercial-in-confidence and why.
- In the event of disagreement between an agency and the 'preferred tenderer' or a member of the public as to what should be disclosed (for example, there may be some disagreement as to what constitutes intellectual property or commercial-in-confidence material) the agency is to seek the advice of:

The Chairman  
 State Contracts Control Board  
 Level 22 McKell Building  
 2-24 Rawson Place  
 Sydney NSW 2000

The Chairman may consult with the Crown Solicitor and may seek the advice of independent experts, particularly in situations where the State Contracts Control Board is Principal under the contract. The Chairman will provide a report and recommendations to the Chief Executive Officer of the agency involved in the tender.

Specific requests for information outside the ambit of the contract details, for example enquiries regarding an unsuccessful tender or the tender process will continue to be dealt with under the provisions of the Freedom of Information Act.

#### **Summary of contract disclosure requirements**

The following table summarises the relationship between the size of the contract, the level of disclosure and basis of disclosure.

<b>Contract size</b>	<b>Level of disclosure</b>	<b>Basis of disclosure</b>
Above \$100,000	Schedule 1 items	Routine
Above \$100,000 to \$5 million for directly negotiated or Alliance type contracts or contracts involving private sector financing, land swaps, asset transfers and similar arrangements.	Schedule 1 and 2 items.	Routine
Above \$5 million for directly negotiated or Alliance type contracts or contracts involving private sector financing, land swaps, asset transfers and similar arrangements.	The complete contract and any information provided under Schedules 1 & 2 that is not in the complete contract, less commercial-in-confidence information.	Routine

Any value contract.	Information not routinely disclosed on that contract but routinely disclosed on other contracts.	On request
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If there is an amendment to a contract valued at over \$100,000 (as distinct from a variation under the contract) that changes the information already routinely disclosed, the agency must ensure the amended information is made public within 60 days of such amendment.

**Fees for disclosure:**

All tender and contract information required to be routinely disclosed is to be provided by an agency free of charge.

For contracts valued at \$100,000 or less, Schedule 1 information, if requested, is also to be provided free of charge.

In other cases, where information on a contract is sought which is not routinely disclosed on that contract but is routinely disclosed on other contracts, the costs in providing such information may be recovered from the party making the request on an equivalent basis to Freedom of Information Act requests.

**SCHEDULES OF DISCLOSURE**

**SCHEDULE 1**

- Tendering method (as defined in the Tendering Guidelines available on [www.treasury.nsw.gov.au/procurement/procure-intro.htm](http://www.treasury.nsw.gov.au/procurement/procure-intro.htm)).
- Details of contract (description of work to be completed or goods/services to be provided or property to be leased or transferred; commencement date of the contract; the duration of the contract);
- The full identity and address of the successful tenderer as well as details of cross ownership of relevant companies;
- The estimated price payable by the agency and the basis for future changes in this price, including bonuses or penalties;
- The significant evaluation criteria and the weightings used in tender assessment including the components and quantum of the public sector comparator if used;
- Summary information used in full base case financial model such as pricing formula for tolls or other usage charges, where model used;
- Provisions for re-negotiation (where applicable).

**SCHEDULE 2**

- Details of future transfers of assets of significant value to government at no or nominal cost and details of the right to receive the asset and the date of the future transfer;
- The identification and timing of any assets transferred to the contractor by the agency;

- All operation and/or maintenance provisions in the contract;
- The results of cost-benefit analyses of the successful tender;
- The risk sharing in the construction and operational phases of the contract, quantified in net present value terms (where possible) and specifying the major assumptions involved;
- Significant guarantees or undertakings between the parties, including loans entered into or agreed to be entered into;
- To the extent not covered above, the remaining key non-commercial-in-confidence elements of the contractual arrangements.

### **SCHEDULE 3**

#### **Commercial-in-confidence information**

Items **not to be disclosed** for any contracts

- The contractor's financing arrangements;
- The contractor's cost structure or profit margins;
- Items of the contractor having an intellectual property characteristic (eg. non-tangible property that is the result of creativity, such as patentable ideas or inventions, trademarks, copyrights, etc.);
- The full base case financial model when used;
- Any other matters where disclosure would place the contractor at a substantial commercial disadvantage with its competitors.



## Appendix 7 Display locations of EIS and SEIS

### *The Cross City Tunnel: Release of Environmental Impact Statement, July 2000*

### *Cross City Tunnel: Supplementary Environmental Impact Statement, July 2002*

#### Available for purchase at:

- Government Information Centre, Goodsell Buildings, City Centre
- NSW Government Information Centre, Parramatta Branch
- RTA, Centennial Plaza, Surry Hills
- RTA, Blacktown

#### Available for viewing at:

- Customs House City Exhibition Space, Circular Quay
- NSW Environment Centre, Nature Conservation Council, Sydney
- Department of Urban Affairs and Planning, Sydney
- Leichhardt Council
- South Sydney Council One Stop Shop
- Sydney City Council One Stop Shop
- Waverley Council
- Woollahra Council
- Haymarket Library
- Kings Cross Library
- Paddington Library
- Surry Hills Library
- Sydney City Council Library
- Ultimo Library
- [www.rta.nsw.gov.au](http://www.rta.nsw.gov.au)

#### Available for viewing at:

- RTA, Cross City Tunnel Display Centre, Woolloomooloo
- RTA, Centennial Plaza, Surry Hills
- RTA, Blacktown
- NSW Government Information Centre, Goodsell Buildings, Sydney
- City Exhibition Space, Customs House, Circular Quay
- PlanningNSW, Sydney
- Sydney Convention Centre, Darling Harbour
- NSW Environment Centre, Nature Conservation Council, Sydney
- Leichhardt Council
- South Sydney Council One Stop Shop
- Sydney City Council One Stop Shop
- Waverley Council
- Woollahra Municipal Council
- Haymarket Library
- Kings Cross Library
- Paddington Library
- Surry Hills Library
- Sydney City Council Library
- Ultimo Library
- [www.rta.nsw.gov.au/cct.htm](http://www.rta.nsw.gov.au/cct.htm)



## Appendix 8 Minutes

Minutes No. 1

Thursday 1 December 2005

Room 1153, Parliament House, at 1:08 pm

### 1. Clerk of the Parliaments opened meeting

The Clerk of the Parliaments declared the meeting open at 1.08pm according to the Resolutions of the Legislative Council on 15 November 2005, Minutes 128, Item 14, page 1720 and Legislative Assembly 16 November 2005, Votes and Proceedings No. 158, Item 28, page 1765.

The Clerk tabled the Resolutions establishing the Joint Select Committee, and confirmed the membership of the Committee.

The Clerk advised the Committee that the Legislative Council Standing Orders would apply for the duration of the Committee's existence.

Revd Nile took the Chair.

### 2. Members Present

Revd Fred Nile (Chairman)

Ms Amanda Fazio

Mr Greg Pearce

Ms Lee Rhiannon

Mr Matt Brown

Mr Andrew Constance

Mr Paul McLeay

Mr John Turner

### 3. Correspondence

#### *Received*

- Ms Lee Rhiannon MLC, to the Clerk of the Parliaments, 18 November 2005, nominating as the Cross Bench member of the Committee
- Hon Tony Kelly MLC, Leader of the House, to the Clerk of the Parliaments, 24 November 2005, advising of Hon Amanda Fazio's appointment to the Committee
- Hon Mike Gallacher MLC, Leader of the Opposition in the Legislative Council, to the Clerk of the Parliaments, 22 November 2005, advising of Hon Greg Pearce's appointment to the Committee
- Mr Gerard Martin MP, Government Whip, to the Clerk of the Legislative Assembly, 23 November 2005, advising of Mr Paul McLeay and Mr Matt Brown's appointment to the Committee
- Mr Peter Debnam MP, NSW Liberals Leader, to the Clerk of the Legislative Assembly, 22 November 2005, advising of Mr Andrew Constance's appointment to the Committee
- Mr Andrew Stoner MP, Leader of the Nationals, to the Clerk of the Legislative Assembly, 22 September 2005, advising of Mr John Turner's appointment to the Committee

#### 4. **Procedural Resolutions**

The Committee considered the draft initial motions, previously circulated.

Resolved, on the motion of Mr Brown, that the following initial resolutions be adopted for the life of the Committee:

##### **1. Sound and television broadcasting**

That in accordance with the resolution of the Legislative Council of 11 October 1994, the Committee authorises the sound and television broadcasting as appropriate, of its public proceedings, unless the Committee decides otherwise.

##### **2. Arrangements for hearings and site visits**

That the arrangements for the calling of witnesses and for visits of inspection be left in the hands of the Chairman and the Secretariat after consultation with the Committee.

##### **3. Media statements**

That media statements on behalf of the Committee be made only by the Chairman, if possible after consultation with the Committee.

##### **4. Advertising**

That the Secretariat be empowered to advertise and/or write to persons, bodies and organisations inviting written submissions relevant to the terms of reference for the Committee's inquiries.

##### **5. Publication of transcripts**

That, in accordance with section 4 of the Parliamentary Papers (Supplementary Provisions) Act 1975 and under the authority of Standing Order 223, the Committee authorise the Director to publish the transcript of evidence taken at public hearings, unless the Committee decides otherwise.

##### **6. Committee correspondence**

That the Secretariat be empowered to respond to correspondence on behalf of the Committee, where the correspondence concerns routine or administrative matters. In all other cases the Chairman must approve replies to correspondence.

##### **7. Dissenting statements**

That any member who wishes to append a statement of dissent to a report in accordance with Standing Order 228 must advise the Committee of their intention to do so at the last deliberative meeting considering the report.

#### 5. **Call for Submissions**

The Committee considered the proposed advertising schedule for the call for submissions.

Resolved, on the motion of Mr Pearce, that advertisements calling for submissions be placed in the Sydney Morning Herald, Wednesday 7 and Saturday 10 December 2005, The Daily Telegraph, Wednesday 7 and Saturday 10 December 2005, The Weekend Australian, Saturday 10 December 2005, The Australian, Wednesday 7 December 2005, The Australian Financial Review, Wednesday 7 December 2005, and The Wentworth Courier, Wednesday 7 December 2005.

Resolved, on the motion of Ms Rhiannon, that advertisements also be placed in the Inner Western Suburbs Courier and the Glebe.

Resolved, on the motion of Mr Pearce, that the Chairman write to relevant individuals and organisations to invite submissions.

Resolved, on the motion of Mr Pearce, that the closing date for submissions be 18 January 2006.

## 6. Hearing Schedule

The Committee considered the Chairman's draft hearing schedule for the Inquiry, previously circulated.

Resolved, on the motion of Mr Brown, that the first hearing be held on Tuesday 6 December, from 9am to 5pm and that the following witnesses be invited:

Mr Paul Forward, former CE, RTA  
 Mr Mike Hannon, Acting CE, RTA  
 Mr Brett Skinner, Director Finance, RTA  
 Mr Les Wielinga, Director Motorways, RTA  
 Mr Chris Ford, Director Traffic & Transport, RTA  
 The Hon Bob Carr, former Premier NSW  
 The Hon Michael Egan, former Treasurer, NSW  
 Mr Peter Sansom, CE, CrossCity Motorway Pty Ltd.  
 The Hon Nick Greiner, former Premier NSW (subject to availability; or on Wednesday 7 December)

Resolved, on the motion of Ms Fazio, that the second hearing be held on Wednesday 7 December, from 1pm to 5pm and the third hearing be held on Friday 9 December from 9am to 1pm. Witnesses for the Wednesday hearing to include:

Representatives from NSW Treasury including Dr Kerry Schott, Executive Director, Private Projects & Assets Management  
 Representatives of the Department of Planning (formerly Dept Infrastructure, Planning and Natural Resources) including Mr Sam Haddad, Director General  
 Representatives of the Department of Environment and Conservation.

Witnesses on Friday to include:

Representatives of the former South Sydney City Council and the current Council of the City of Sydney  
 Dr John Goldberg, traffic analyst  
 Representatives of the RTA's traffic analysis consultants.

Resolved, on the motion of Mr Brown, that three further hearings be held on 1, 2 and 3 February 2006 from 9am to 5pm, and that Committee members forward suggested witnesses to the Committee by close of business Tuesday 6 December 2005.

**7. Adjournment**

The committee adjourned at 1:40 pm until 9:00 am on Tuesday 6 December 2005 in the Jubilee Room, Parliament House.

**Rachel Simpson**  
**Committee Director**

Minutes No.2

Tuesday 6 December 2005

Jubilee Room, Parliament House, at 9:01 am

**1. Members Present**

Revd Fred Nile (Chairman)  
Ms Amanda Fazio  
Mr Greg Pearce  
Ms Lee Rhiannon  
Mr Matt Brown  
Mr Andrew Constance  
Mr Paul McLeay  
Mr John Turner

**Participating Members**

Dr Arthur Chesterfield-Evans

**2. Public Hearing**

The witnesses, the public and the media were admitted.

The Chairman made an opening statement regarding procedures for the hearing and other matters.

The following witnesses from the RTA were sworn and examined:

Mr Mike Hannon, Acting Chief Executive; Mr Paul Forward, former Chief Executive; Mr Chris Ford, Director Traffic & Transport; Mr Brett Skinner, Director Finance; Mr Les Wielinga, Director Motorways.

Questioning concluded, the witnesses withdrew.

The Hon Bob Carr was sworn and examined.

Questioning concluded, the witness withdrew.

The Hon Michael Egan was sworn and examined.

Questioning concluded, the witness withdrew.

The following witnesses from the RTA were re-admitted and questioning continued under their previous oaths:

Mr Mike Hannon, Acting Chief Executive; Mr Paul Forward, former Chief Executive; Mr Chris Ford, Director Traffic & Transport; Mr Brett Skinner, Director Finance; Mr Les Wielinga, Director Motorways.

Questioning concluded, the witnesses withdrew.

Mr Peter Sansom, former Chief Executive of the CrossCity Motorway Pty Ltd was sworn and examined.

Questioning concluded, the witness withdrew.

### 3. Deliberative

#### *Minutes*

Resolved, on the motion of Mr Brown, that Minutes No. 1 be adopted.

Resolved, on the motion of Ms Fazio, that the RTA's submission, tabled by Mr Hannon, be published.

Resolved, on the motion of Mr Turner, that the Committee accept and make public the memorandum of advice tabled by Mr Hannon.

Resolved, on the motion of Mr Brown, that members provide supplementary questions for witnesses to the secretariat by 5pm on the day following the witness' appearance.

Resolved, on the motion of Mr Pearce, that witnesses be requested to provide answers to questions taken on notice and supplementary questions within 10 working days of the date of the letter sent.

Resolved, on the motion of Mr Brown, that members provide documents referred to in questions taken on notice during the hearing to the secretariat by 5pm on the day following the witness' appearance.

Resolved, on the motion of Mr Brown, that the Chairman write to the individuals and organisations listed, inviting a submission to the inquiry:

1. NSW Treasury
2. Sydney City Council
3. (former) South Sydney Council
4. Tony Harris, former NSW Auditor General
5. Dr John Goldberg, Traffic Analyst, University of Sydney
6. Professor David Richmond AO, Strategic Advisor, Infrastructure Implementation Group (NSW)
7. Baulderstone Hornibrook, construction company for the Cross City Tunnel.
8. Hon Mark Birrell, Infrastructure Partnerships Australia (former Minister for major projects in Kennett Government)
9. Professor Tony Blackshield
10. Department of Planning (formerly Dept Infrastructure, Planning and Natural Resources)

11. DEC
12. Members of community liaison groups (i.e. GASP, RAPS)
13. Community groups and members (i.e. Cross City Tunnel Action Group)
14. State Chamber of Commerce
15. NRMA
16. Australian Council for Infrastructure Development
17. Property Council of Australia
18. Road Transport Association (Hugh McMaster)
19. Taxi Council of Australia
20. Bicycle NSW
21. Pedestrian Council of Australia
22. Tourism Taskforce
23. Institute of Architects
24. Local councils in the Cross City Tunnel area.

#### 4. **Adjournment**

The committee adjourned at 5.10 pm until 1:00 pm on Wednesday 7 December 2005 in the Jubilee Room, Parliament House.

**Simon Johnston**  
**Committee Clerk**

Minutes No 3

Wednesday 7 December 2005

Jubilee Room, Parliament House, at 1:00 pm

#### 1. **Members Present**

Revd Fred Nile (Chairman)  
Ms Amanda Fazio  
Mr Greg Pearce  
Ms Lee Rhiannon  
Mr Matt Brown  
Mr Andrew Constance  
Mr Paul McLeay  
Mr John Turner

#### **Participating Member**

Dr Arthur Chesterfield-Evans

#### 2. **Public Hearing**

The witnesses, the public and the media were admitted.

The Chairman made an opening statement regarding procedures for the hearing.

The following witnesses from NSW Treasury were sworn and examined:

Dr Kerry Schott, Executive Director, Private Projects & Asset Management; and Mr Danny Graham, Director, Private Finance Projects.

Questioning concluded, the witnesses withdrew.

The following witnesses from the Department of Environment and Conservation and the Department of Planning were sworn and examined:

Ms Lisa Corbyn, Director General, Department of Environment and Conservation; Mr Simon Smith, Deputy Director General, Department of Environment and Conservation; Mr Joe Woodward, Executive Director, Operations, Department of Environment and Conservation; and Mr Sam Haddad, Director General, Department of Planning.

Questioning concluded, the witnesses withdrew.

The Hon Nick Greiner was sworn and examined.

Questioning concluded, the witness withdrew.

### **3. Adjournment**

The committee adjourned at 5.02 pm until 9:45 am on Friday 9 December 2005 in the Jubilee Room, Parliament House.

**Rachel Simpson**  
**Director**

Minutes No 4

Friday 9 December 2005

Jubilee Room, Parliament House, at 9:45am

#### **1. Members Present**

Revd Fred Nile (Chairman)  
Ms Amanda Fazio  
Mr Greg Pearce  
Ms Lee Rhiannon  
Mr Matt Brown  
Mr Andrew Constance  
Mr Paul McLeay  
Mr John Turner

#### **2. Public Hearing**

The public and the media were admitted.

The Chairman made an opening statement regarding procedures for the hearing.

Mr Chris Wilson, Director, Masson Wilson Twiney Pty Ltd, was sworn and examined.

Questioning concluded, the witness withdrew.

Dr John Goldberg, Honorary Associate, University of Sydney Faculty of Architecture, was sworn and examined.

Questioning concluded, the witness withdrew.

Ms Clover Moore MP, Lord Mayor, City of Sydney and Member for Bligh, was sworn and examined.

Questioning concluded, the witness withdrew.

### 3. Deliberative

#### ***Confirmation of minutes***

Resolved, on the motion of Mr Brown, that Minutes No. 2 be confirmed.

Resolved, on the motion of Mr Pearce, that the Committee accept and make public the following documents:

- *Summary of Action on the Cross City Tunnel*, tabled by Ms Clover Moore MP.
- *Cross City Tunnel, Analysis of traffic projections and financial viability*, tabled by Dr John Goldberg.
- *Review of Post Opening Traffic Demand for Cross City Tunnel*, Masson Wilson Twiney Pty Ltd., tabled by Mr Chris Wilson.
- *Strategic Travel Model*, tabled by Mr Chris Wilson.

#### ***Future committee activity***

Resolved on the motion of Mr Pearce that the Committee hold public hearings on Hearing dates Wednesday 1 February, Thursday 2 February and Friday 3 February 2006, with Monday 6 February 2006 a reserve hearing date and that the following witnesses be examined:

Bilfinger Berger

- Paul Levins, General Manager, Corporate Affairs

RTA

- Mr Mike Hannon, Acting Chief Executive Officer
- Mr Brad Skinner, Director, Finance
- Mr Chris Ford, Director, Traffic and Transport
- Mr Les Wielinga, Director, Motorways
- Mr Paul Forward, Former Chief Executive Officer

RTA witnesses to be accompanied by:

- Mr Graham Read, Corporate Counsel
- Mr Garry Humphrey, General Manager
- Ms Mulavana Lakshmy, Project Services Manager
- Mr Howard Penn, Project Services Manager
- Mr Paul Goldsmith, Project Management Services
- Mr John Munro, Manager, Tunnel Technology

NSW Audit Office

- Bob Sendt, Auditor General

## State Transit Authority

- Peter Hammond, General Manager

## Sydney Harbour Foreshore Authority

- Rob Lang, Chief Executive Officer

## NSW Government

- Hon Craig Knowles, former Minister for Infrastructure, Planning and Natural Resources
- Hon Carl Scully MP, former Minister for Roads/Transport
- Hon Frank Sartor MP, Minister for Planning
- Hon Morris Iemma MP, Premier, Treasurer
- Hon Joseph Tripodi MP, Minister for Roads
- Hon Dr Andrew Refshauge, former Minister for Planning

## NSW Government advisers

- Dr Col Gellatly, Premiers Department

## Expert and other witnesses

- Professor Bob Walker, University of Sydney, Accounting
- Tony Harris, former NSW Auditor General
- David Richmond AO, Strategic Advisor, Infrastructure Implementation Group (NSW)
- Representatives of other (previous or current) major PPP projects (for Part 2 of inquiry)
- Hon. Mark Birrell, Infrastructure Partnerships Australia
- Professor Tony Blackshield, legal expert
- Ken Morrison, Property Council of Australia
- Dennis O'Neill, Infrastructure Council of Australia
- Monique Roser, Planning Institute of Australia
- John Pierce, NSW Treasury

## Community representatives

- Suzanne O'Connor, Residents Association, Kings Cross Community Liaison Group (CLG)
- Dr Laura Pearce, Kings Cross CLG
- Trish Muller, Sir John Young Crescent CLG
- Julia Perry
- Other community representatives (e.g. Groups Against Stack Pollution, the Darlinghurst Business Partnership, etc.)
- Eastern Suburbs Neighbourhood Association
- 2011
- Darlinghurst Residents Action Group
- Woollahra Council
- Michelle Zeibots, Transport

**4. Adjournment**

The Committee adjourned at 1.00pm, *sine die*.

**Simon Johnston**  
Committee Clerk

Minutes No 5

Tuesday 24 January 2006

Room 1153, Parliament House, at 2.06pm

**1. Members Present**

Revd Fred Nile (Chairman)  
 Ms Amanda Fazio  
 Ms Lee Rhiannon  
 Mr Andrew Constance  
 Mr Paul McLeay  
 Mr John Turner

**2. Apologies**

Mr Brown  
 Mr Pearce

**3. Minutes**

Resolved, on the motion of Ms Fazio, that Minutes No. 3 and 4 be adopted.

**4. Correspondence**

The Chairman noted correspondence sent and received.

***Received***

- Mr Gerard Martin MP, Member for Bathurst, Government Whip, to the Clerk of the Parliaments, 23 November 2005, advising of Hon Amanda Fazio's appointment to the Committee
- Ms Helen Vickers, Acting Corporate Counsel, RTA, to the Director, 28 November 2005, proposing possible RTA witnesses
- Chairman to Secretariat, 28 November 2005, confirming proposed RTA witnesses
- Mr John Turner MP, Member for Myall Lakes, to the Clerk of the Parliaments, 29 November 2005, relating to the dates of the proposed public hearings
- Mr Peter Sansom, former Chief Executive Officer, CrossCity Motorway Pty Ltd, to Principal Council Officer, 22 December 2005, requesting an extension to provide corrected transcript and answers to questions taken on notice
- Hon Carl Scully MP, Minister for Police, Minister for Utilities, to the Chairman, 22 December 2005, responding to the invitation to appear before the Committee
- Hon Joe Tripodi MP, Minister for Roads, to the Chairman, 23 December 2005, responding to the invitation to appear before the Committee
- Hon Frank Sartor MP, Minister for Planning, to the Chairman, 9 January 2006, responding to the invitation to appear before the Committee
- Mr Mike Hannon, Acting Chief Executive, RTA, to the Director, 10 January 2006, responding to the Committee's invitation to RTA representatives to appear before the Committee
- Mr Mike Hannon, Acting Chief Executive, RTA, to the Director, 16 January 2006, advising the availability of Mr Graham Read to attend the hearing as an advisor
- Mr Glenn Byers, Director, Public Affairs, Infrastructure Partnerships Australia, to Principal Council Officer, 18 January 2006, informing the Committee that Mr Garry Bowditch will appear instead of the Hon Mark Birrell

- Hon Morris Iemma MP, Premier and Treasurer, to the Chairman, 18 January 2006, responding to the invitation to appear before the Committee

### *Sent*

- Chairman to the Hon Morris Iemma MP, Premier and Treasurer, 21 December 2005, inviting him to appear before the Committee
- Chairman to the Hon Carl Scully MP, Minister for Police and Minister for Utilities, 21 December 2005, inviting him to appear before the Committee
- Chairman to the Hon Frank Sartor MP, Minister for Planning, 21 December 2005, inviting him to appear before the Committee
- Chairman to the Hon Joseph Tripodi MP, Minister for Roads, 21 December 2005, inviting him to appear before the Committee
- Chairman to the Hon Dr Andrew Refshauge, former Minister for Planning, 21 December 2005, inviting him to appear before the Committee
- Chairman to the Hon Craig Knowles, former Minister for Infrastructure, Planning and Natural Resources, 21 December 2005, inviting him to appear before the Committee

Resolved, on the motion of Mr Turner, that the Committee re-issue the invitation to Ministers and the Premier to give evidence to the Committee.

### *Submissions*

Resolved, on the motion of Ms Fazio, that the Committee publish the following submissions, with the deletion of the names of certain individuals in Submission 56, and with Appendix 3 of Submission 56 kept confidential, as requested by the author:

- No. 1 – Roads and Traffic Authority
- No. 2 – Gordian Business
- No. 3 – Mr Flash Langley
- No. 4 – Ms Leonie Blair
- No. 5 – Mr Alan Limbury
- No. 6 – Mr Neville Peck
- No. 7 – Aircar Industry
- No. 8 – Mr Matt Mushalik
- No. 9 – Owners Corporation (the Horizon)
- No. 10 – Dr David Sonnabend
- No. 11 – Mr Tony Harris
- No. 12 – Mr Bruce Loder
- No. 13 – Natural Allies
- No. 14 – Mr Rob Lemon
- No. 15 – NSW Taxi Council Ltd
- No. 16 – Mr Peter Whitehead
- No. 17 – Ms Robyn Hall
- No. 18 – Mr Will Trippas
- No. 19 – Mr Sam Harding
- No. 20 – Mr Ralf Harding
- No. 21 – Mrs Carole Ferrier

- No. 22 – Mr Peter Mills
- No. 23 – Darlinghurst Business Partnership
- No. 24 – Mrs Kama Harding
- No. 25 – Jonathon Falk Planning Consultants Pty Ltd
- No. 26 – John Passmore Museum of Art
- No. 27 – Miss Jane Barnett
- No. 28 – Ms Mary-Ann Bonney
- No. 29 – Mrs Kylie Cossa
- No. 30 – Ms Felicity Crombach
- No. 31 – Miss Catherine Lyons
- No. 32 – Mr Barrie Shepherd
- No. 33 – Mr W.G Hamilton
- No. 34 – Bicycle New South Wales
- No. 35 – Kings Cross CLG
- No. 36 – Woollahra Municipal Council
- No. 37 – Mr Richard Jones
- No. 38 – CrossCity Motorway Pty Ltd
- No. 39 – The Royal Australian Institute of Architects
- No. 40 – Cross City Tunnel Action Group
- No. 41 – Lane Cove Tunnel Action Group
- No. 42 – Dr Norman Thompson
- No. 43 – Mr Craig Tansley
- No. 44 – Ms Lucy Robertson
- No. 45 – Mr Geoff Phillips
- No. 46 – Darlinghurst Residents Action Group
- No. 47 – Ms Jan Morrison
- No. 48 – Dr Gerard Milton
- No. 49 – Sydneysiders Against Polluting Stacks (SAPS) and UnitingCare Harris Community Centre
- No. 50 – Mr Charles Kelly
- No. 51 – Mr Benjamin Kelly
- No. 52 – 2011 Residents Association Incorporated
- No. 53 – Action City East
- No. 54 – NRMA Motoring and Services
- No. 55 – Mr Richard d’Apice
- No. 57 – Mr John Oultram
- No. 58 – Groups Against Polluting Stacks

***Late Submissions***

Resolved, on the motion of Ms Rhiannon, that the Committee accept late submissions as full submissions.

***Questions on Notice***

Resolved, on the motion of Ms Rhiannon, that the Committee publish answers to questions taken on notice received from:

- Hon Bob Carr, to the secretariat, 8 December 2005, answers to questions on notice
- Dr Kerry Schott, Executive Director, Private Projects and Asset Management, Directorate, NSW Treasury, to the Chairman, 9 December 2005, answers to questions on notice
- Mr Mike Hannon, Acting Chief Executive, RTA, to the Director, 11 December 2005, answers to questions on notice
- Hon Nick Greiner, to the secretariat, 12 December 2005, answers to questions on notice
- Hon Michael Egan, to the Director, 19 December 2005, answers to questions on notice
- Mr Sam Haddad, Director General, Department of Planning, to the Director, 23 December 2005, answers to questions on notice
- Hon Bob Carr, to the Director, 10 January 2006, answers to questions on notice
- Ms Lisa Corbyn, Director General, Department of Environment and Conservation, to the Director, 13 January 2006
- Mr Peter Sansom, former Chief Executive Officer, CrossCity Motorway Pty Ltd, to the Director 2006, answers to questions on notice
- Mr Christopher Wilson, Director, Masson Wilson Twiney, to the Director, 20 January 2006, answers to questions on notice
- Dr John Goldberg, Honorary Associate, School of Architecture, University of Sydney, to the Director, 23 January 2006, answers to questions on notice, no to publish item 3 at the request of the author

#### ***Publishing committee documents***

Resolved, on the motion of Ms Rhiannon, that where practical, when the Committee publishes documents those documents are placed on the Committee's web page as well as being made available in hard copy

#### **5. Public hearings 1, 2 and 3 February 2006**

Resolved, on the motion of Ms Fazio, that the Committee confirm the hearing schedules.

#### **6. Future committee activity**

Resolved on the motion of Mr Turner that the Committee's first report be considered on Wednesday 22 and Thursday 23 February 2006, with the morning of Friday 24 February retained as a reserve date.

Ms Rhiannon moved:

That the Inquiry call the following people to give evidence:

Stuart Bright, Director, Ernst and Young  
 Robert Steffan, Principal – Tax, Ernst and Young  
 John Shirbin, Partner, Clayton Utz  
 Professor Doug Jones, Partner, Clayton Utz  
 Stuart Cosgriff, Senior Associate, Clayton Utz.

The Committee agreed to defer consideration of the motion until its next deliberative meeting.

**7. Adjournment**

The Committee adjourned at 2.32pm until Wednesday 1 February 2006 at 9.00am in the Jubilee Room (public hearing).

**Simon Johnston**  
**Committee Clerk**

Minutes No 6

Wednesday 1 February 2006

Jubilee Room, Parliament House, at 9:01 am

**1. Members Present**

Revd Fred Nile (Chairman)  
Ms Amanda Fazio  
Mr Greg Pearce  
Ms Lee Rhiannon  
Mr Matt Brown  
Mr Andrew Constance  
Mr Paul McLeay  
Mr John Turner

**Participating Member**

Dr Arthur Chesterfield-Evans

**2. Public Hearing**

The witnesses, the public and the media were admitted.

The Chairman made an opening statement regarding procedures for the hearing.

Mr Tony Harris was affirmed and examined.

Questioning concluded, the witness withdrew.

Professor Bob Walker, Consultant, Centennial Consulting was affirmed and examined

Ms Betty Con Walker, Consultant, Centennial Consulting was sworn and examined.

Professor Walker tendered a submission. Resolved on the motion of Mr Brown, that the submission be accepted and published.

Questioning concluded, the witnesses withdrew.

Mr John Oultram, former Member, Kings Cross CLG; Mr Malcolm Duncan, former Member, Kings Cross CLG were affirmed and examined.

Ms Suzanne O'Conner, former Member, Kings Cross CLG was sworn and examined.

Mr Duncan tendered a document, *EPA Community Consultation Report*. Resolved on the motion of Mr Brown, that the document be accepted and published.

Questioning concluded, the witnesses withdrew.

Mrs Carole Ferrier, Representative, 2011 Residents' Association; Ms Julia Perry, co-Convenor, Darlinghurst Residents Action Group were sworn and examined.

Ms Jo Holder, Representative, Action City East; Ms Stacey Miers, Member, Residents of Woolloomooloo; and Mr Stephan Gyory, Member, Darlinghurst Business Partnership were affirmed and examined.

Mrs Ferrier, Ms Perry, Ms Manins, Ms Holder and Mr Gyory tendered statements and documents. Resolved, on the motion of Ms Fazio, that the statements and documents be accepted and published.

Questioning concluded, the witnesses withdrew.

Mr John Pierce, Secretary, NSW Treasury was sworn and examined.

Dr Kerry Schott, Executive Director, Private Projects and Asset Management, NSW Treasury; Mr Danny Graham, Director, Private Finance Projects, NSW Treasury were examined under former oath.

Questioning concluded, the witnesses withdrew.

Dr Col Gellatly, Chief Executive, Premier's Department was affirmed and examined.

Questioning concluded, the witness withdrew.

Professor Tony Blackshield, Emeritus Professor, Macquarie University was sworn and examined.

Professor Blackshield tendered a submission to the inquiry.

Resolved, on the motion of Ms Fazio, that the submission be accepted and published.

Questioning concluded, the witness withdrew.

Ms Michelle Zeibots, transport researcher was affirmed and examined.

Ms Zeibots tendered a copy of power point presentation.

Resolved, on the motion of Ms Fazio, that the presentation be accepted and published.

Questioning concluded, the witness withdrew.

### 3. Deliberative Meeting

#### *Confirmation of minutes*

Resolved, on the motion of Fazio, that Minutes No. 5 be confirmed.

Resolved on the motion of Fazio, that Minutes No. 4 be amended to include papers tabled at the public hearing on 9 December 2006.

#### *Correspondence*

The Chairman noted correspondence sent and received.

#### *Sent*

- Chairman to the Hon Morris Iemma MP, Premier and Treasurer, 24 January 2006, re-inviting him to appear before the Committee
- Chairman to the Hon Carl Scully MP, Minister for Police and Minister for Utilities, 24 January 2006, re-inviting him to appear before the Committee
- Chairman to the Hon Frank Sartor MP, Minister for Planning, 24 January 2006, re-inviting him to appear before the Committee
- Chairman to the Hon Joseph Tripodi MP, Minister for Roads, 24 January 2006, re-inviting him to appear before the Committee

#### *Received*

- Hon Joe Tripodi MP, Minister for Roads, to the Chairman, 30 January 2006, responding to the re-issued invitation to appear before the Committee
- Hon Morris Iemma MP, Premier and Treasurer, to the Chairman, 31 January 2006, responding to the re-issued invitation to appear before the Committee

#### *Submission*

- Revised submission no. 53 from Action City East. Replace submission published

#### *Answers to questions on notice*

- Mr Mike Hannon, RTA, 31 January 2006, to the Director, answers to questions on notice

Resolved, on the motion of Pearce, that correspondence between the Chairman and the Premier and Ministers relating to their appearance before the Committee, be published.

#### *Appearance of Premier and Ministers*

Ms Fazio moved: That the Committee write to Premier Iemma and Ministers Scully, Tripodi, and Sartor providing them with questions relating to the Cross City Tunnel Inquiry, for response by Friday 10 February 2006, and that Committee members provide the Secretariat with questions within 24 hours (5.30pm, Thursday 2 February 2006).

Mr Pearce moved: that the question be amended by inserting at the end “provided that such a request is not to be taken as any diminishing in the Committee’s determination that it wishes to hear from each of the witnesses in person”.

Question: That the amendment of Mr Pearce be agreed to - put and passed.

Mr Pearce moved that the question be further amended by inserting at the end “Further that some members may consider that providing written questions is a fetter on their entitlements as members of the Committee entitlements to question witnesses and seek information.”

Question: That the amendment of Mr Pearce be agreed to.

The Committee divided:

Ayes:

Mr Pearce

Mr Constance

Mr Turner

Ms Rhiannon

Noes:

Revd Nile

Ms Fazio

Mr Brown

Mr McLeay

There being an equality of votes, the Chairman exercised his casting vote and the question was resolved in the negative.

Question: That the original motion, as amended, be agreed to - put and passed.

#### ***Questions on Notice***

Resolved, on the motion of Fazio, that witnesses at the public hearings on 1, 2 and 3 February 2006 be requested to return answers to questions on notice within 7 days from receipt of the transcript by the witness.

#### ***Consideration of Deferred Motion***

The Committee considered the motion of Ms Rhiannon deferred from meeting no.5:

That the Inquiry call the following people to give evidence:

Stuart Bright, Director, Ernst and Young

Robert Steffan, Principal – Tax, Ernst and Young

John Shirbin, Partner, Clayton Utz

Professor Doug Jones, Partner, Clayton Utz

Stuart Cosgriff, Senior Associate, Clayton Utz.

Motion put and lost.

#### **4. Adjournment**

The Committee adjourned at 5.30pm until Thursday 2 February 2006 at 9.00am in the Jubilee Room (public hearing).

**Rachel Simpson**

**Director**

Minutes No 7

Thursday 2 February 2006

Jubilee Room, Parliament House, at 9:03 am

**1. Members Present**

Revd Fred Nile (Chairman)

Ms Amanda Fazio

Mr Greg Pearce

Ms Lee Rhiannon

Mr Matt Brown

Mr Andrew Constance

Mr Paul McLeay

Mr John Turner

**Participating Member**

Dr Arthur Chesterfield-Evans

**2. Public Hearing**

The witnesses, the public and the media were admitted.

The Chairman made an opening statement regarding procedures for the hearing.

Ms Jane Anderson, representative, East Sydney Neighbourhood Association and Ms Sue Pynenburg, Liaison Officer, Sydney Church of England Girls Grammar were sworn and examined.

Ms Anderson and Ms Pynenburg tendered statements and documents. Resolved, on the motion of Ms Fazio, that the statements and documents be accepted and published.

Questioning concluded, the witnesses withdrew.

Ms Narelle Thirkettle, member of the Air Quality Community Consultative Committee; Ms Lalita Lakshmi, Dr Ray Kearney and Mr Mark Curran, representatives of Groups Against Stack Pollution; and Dr Peter Manins, Independent Technical Advisor to the AQCCC were sworn and examined.

Questioning concluded, the witnesses withdrew.

Mr Mike Hannon, Acting Chief Executive, RTA; Mr Brett Skinner, Director Finance, RTA; Mr Chris Ford, Director Traffic and Transport, RTA; and Mr Les Wielinga, Director Motorways, RTA were sworn and examined.

Mr Hannon tendered statements and documents. Resolved, on the motion of Mr Brown that the statements and documents be accepted and published.

Questioning concluded, the witnesses withdrew.

Mr Bob Sendt, NSW Auditor General, was sworn and examined.

Questioning concluded, the witness withdrew.

Professor David Richmond AO, Special Advisor Infrastructure Implementation Group, Premier's Department, was sworn and examined.

Questioning concluded, the witness withdrew.

Mr Roger Wilson, Acting Chief Executive, State Transit Authority; Mr Jim Glasson, Acting Director General, Ministry of Transport; and Mr Lyall Kennedy, Acting Director Transport Planning Division, Ministry of Transport were sworn and examined.

Mr Wilson tendered a document. Resolved, on the motion of Mr Brown that the statements and documents be accepted and published.

Questioning concluded, the witnesses withdrew.

Dr Rob Lang, Chief Executive, Sydney Harbour Foreshore Authority; and Ms Di Talty, Executive Director, Major Project Division were sworn and examined.

Questioning concluded, the witnesses withdrew.

### 3. Deliberative Meeting

#### *Transcripts and tabled documents*

Resolved, on the motion of Mr Brown, that the transcripts for the hearings yesterday and today and the tabled documents from today be amended to remove potential adverse mentions that are not relevant to the Inquiry.

Ms Rhiannon made a personal statement relating to comments made about her by a witness in the hearing and tabled a letter responding to the comments.

Resolved on the motion of Ms Fazio that the document be accepted.

Resolved on the motion of Ms Rhiannon that the document be published.

#### *Appearance of Premier and Ministers*

Revd Nile noted that questions to be included in the letters to be sent to the Minister and Premier had been received from Government members and the Chairman.

#### *Witnesses*

Mr Constance moved:

That Minister John Della Bosca be invited to give evidence to the Committee.

The Committee divided:

Ayes:

Mr Pearce

Mr Constance

Mr Turner

Ms Rhiannon

Noes:

Revd Nile

Ms Fazio

Mr Brown

Mr McLeay

There being an equality of votes, the Chairman exercised his casting vote and the question was resolved in the negative.

***Questions on Notice***

Resolved, on the motion of Ms Rhiannon, that additional questions on notice from Members for witnesses from Thursday 2 February and Friday 3 February hearings be provided to the Secretariat by the morning of Monday 6 February 2006.

***Site Visit***

Discussion of details of a site visit were deferred until the next deliberative meeting.

**4. Adjournment**

The Committee adjourned at 4.45pm until Friday 3 February 2006 at 9.00am in the Jubilee Room (public hearing).

**Rachel Simpson**

**Director**

Minutes No 8

Friday 3 February 2006

Jubilee Room, Parliament House, at 9:00 am

**1. Members Present**

Revd Fred Nile (Chairman)

Ms Amanda Fazio

Mr Greg Pearce

Ms Lee Rhiannon

Mr Matt Brown

Mr Andrew Constance

Mr Paul McLeay

**Apologies**

Mr John Turner

**Participating Member**

Dr Arthur Chesterfield-Evans

**2. Public Hearing**

The witnesses, the public and the media were admitted.

The Chairman made an opening statement regarding procedures for the hearing.

Hon Craig Knowles Former Minister for Infrastructure, Planning and Natural Resources, NSW, was sworn and examined.

Questioning concluded, the witness withdrew

Hon Dr Andrew Refshauge Former Minister for Planning, NSW, was sworn and examined.

Questioning concluded, the witness withdrew.

Mr Greg Stewart, Manager Public Infrastructure, and Clr Kerri Huxley, Councillor, Woollahra Municipal Council, were sworn and examined.

Questioning concluded, the witnesses withdrew.

Ms Trish Muller, Mr Gundo Frenda and Ms Mags Hamilton, Members, Central CLG, were sworn and examined.

Ms Muller and Mr Frenda tabled documents and statements.

Resolved, on the motion of Mr McLeay, that the documents and statements be accepted and published.

Questioning concluded, the witnesses withdrew.

Mr Ken Morrison, Property Council of Australia, Mr Dennis O'Neill, Infrastructure Council of Australia, Ms Monique Roser, Planning Institute of Australia and Mr Garry Bowditch, Infrastructure Partnerships Australia, were sworn and examined.

Questioning concluded, the witnesses withdrew.

Mr Peter Sansom, Chief Executive Officer, CrossCity Motorway Pty Ltd, was sworn and examined.

Questioning concluded, the witness withdrew.

Mr Paul Levins Director, Corporate Affairs, Bilfinger Berger Australia, was sworn and examined.

Questioning concluded, the witness withdrew.

### 3. Deliberative Meeting

#### *Confirmation of minutes*

Resolved, on the motion of Mr McLeay, that Minutes 6 and 7 be confirmed.

#### *Correspondence*

The Chair noted the following correspondence sent and received:

*Sent:*

- Chair to the Hon Morris Iemma MP, Premier and Treasurer, 2 February 2006, inviting him to appear before the Committee and providing questions

- Chair to the Hon Carl Scully MP, Minister for Police and Minister for Utilities, 2 February 2006, inviting him to appear before the Committee and providing questions
- Chair to the Hon Frank Sartor MP, Minister for Planning, 2 February 2006, inviting him to appear before the Committee and providing questions
- Chair to the Hon Joseph Tripodi MP, Minister for Roads, 2 February 2006, inviting him to appear before the Committee and providing questions

Resolved, on the motion of Mr McLeay, that the correspondence between the Chairman and the Ministers regarding their appearance before the Committee, be published.

*Received*

- Ms Michelle Zeibots, to the Chair, 2 February 2006, Ceiling Capacity for the Cross City Tunnel
- Ms Jo Holder, co-convenor, Action City East, response to criticism by Jane Anderson, including email from Ms Stacey Miers and letter from Mr Peter Carroll.

Resolved, on the motion of Mr Brown, that the correspondence from Ms Zeibots, be published.

Resolved, on the motion of Mr Brown, that Ms Holder's correspondence be published.

Resolved, on the motion of Mr Brown, that Ms Anderson's evidence on 1 February 2006 not be struck from the transcript.

*Submissions*

- No. 26a – John Passmore Museum of Art
- No. 59 – Ms Denyse Rockey
- No. 60 – Mr Stephen Snepvangers
- No. 61 – Residents of Woolloomooloo
- No. 62 – City of Sydney Residents Network
- No. 63 – Mr Michael Gormly
- No. 64 – State Chamber of Commerce
- No. 65 – UBTSC
- No. 66 – Leichhardt Council

Resolved, on the motion of Mr Brown, that submissions 26a and 59-66, be published and that submission 53A (tabled at meeting 6) be published.

***Future Committee activity***

Ms Rhiannon moved: That noting the circumstances of the establishment of this Committee, on the understanding that the Premier and Ministers Tripodi, Scully and Sartor would appear before the inquiry, as advised by the Chairman, senior staff of the Premier, Minister Scully, Minister Sartor and Minister Tripodi be called to give evidence before the Inquiry.

Question put and negatived.

***Site visit***

Resolved, on the motion of Mr Constance, that the Committee conduct a site visit of the Cross City Tunnel and surrounding streets on Monday 13 February, departing Parliament House at 5pm.

***Conduct of committee members***

Ms Fazio moved that:

1. the Committee notes the comments made by Ms Rhiannon during a radio interview with Alan Jones on 2GB on 3 February 2006
2. the Committee considers the action of Ms Rhiannon in making statements in relation to deliberations of the Committee is in breach of Standing Order 224, initial resolution 3 of the Committee and parliamentary practice
3. Ms Rhiannon is reminded that the deliberation of the a committee may not be disclosed until made public or until the Committee has reported to the House
4. the Committee does not report this matter to the House

Resolved, on the motion of Mr Pearce, that the Committee defer consideration of Ms Fazio's motion until the next meeting and that the secretariat obtain full transcripts of Mr Jones' interviews with Revd Nile and Ms Rhiannon.

**4. Adjournment**

The Committee adjourned at 5.15pm until Monday 13 2006 at 5.00pm (site visit)

**Rachel Simpson**  
**Director**

Minutes No 9

Wednesday 22 February 2006

Room 1153, Parliament House, at 9:30 am

**1. Members Present**

Revd Fred Nile (Chairman)  
Ms Amanda Fazio  
Mr Greg Pearce  
Ms Lee Rhiannon  
Mr Andrew Constance  
Mr Michael Daley  
Mr Paul McLeay  
Mr John Turner

**2. New committee member**

The Chairman welcomed Mr Daley who has been nominated by the Leader of the Government in the Legislative Assembly as a member of the Committee to replace Mr Brown.

**3. Confirmation of Minutes**

Resolved, on the motion of Ms Fazio: That Minutes No 8 be adopted.

#### 4. Correspondence

- ***Received***

- Hon Carl Scully, Minister for Police, Minister for Utilities, to the Chairman, 2 February 2006, responding to invitation to appear
- Ms Jane Anderson, to the Chairman, 2 February 2006, responding to evidence given
- Mr Philip Begbie, to the parliamentary feedback website, 4 February 2006, responding to evidence given on 3 February 2006
- Mr Ken Morrison, Property Council, to the secretariat, 6 February 2006, *Funding Urban Public Infrastructure* (cover attached – document available from the secretariat)
- Dr Ray Kearney, Chairman, Lane Cove Action Group, to the Director, 7 February 2006, providing supplementary responses to questions asked on 2 February 2006
- Ms Jane Anderson, to the Director, 9 February 2006, clarifying evidence
- Ms Jane Anderson, to the Chairman, 9 February 2006, seeking advice regarding possible witness intimidation
- Ms Brian Noad, to the Committee, 12 February 2006, comment on the Inquiry
- Ms Jane Anderson, to the Chairman, 15 February 2006, seeking further advice regarding possible witness intimidation
- Mr Robert Stefanic, A/Clerk Assistant – Committees, to East Sydney Business, 15 February 2006, regarding possible witness intimidation
- Hon Carl Scully MP, Leader of the Government in the Legislative Assembly, to the Clerk of the Legislative Assembly, dated 22 February 2006, nominating Mr Michael Daley MP as replacement Member for Mr Matt Brown MP

- ***Answers to questions on notice***

- Mr Paul Levins, General Manager, Operations and Corporate Affairs, Bilfinger Berger Australia, to the Director, 8 February 2006, answers to questions on notice
- Hon Carl Scully, Minister for Police, Minister for Utilities, to the Chairman, 9 February 2006, responding to questions provided by the Committee
- Hon Frank Sartor, Minister for Planning, to the Chairman, 10 February 2006, responding to questions provided by the Committee
- Hon Joseph Tripodi, Minister for Roads, to the Chairman, 10 February 2006, responding to questions provided by the Committee
- Mr Peter Sansom, CrossCity Motorway Pty Ltd, to the Director, 13 February 2006, answers to questions on notice
- Mr Mike Hannon, Acting Chief Executive, RTA, to the Director, 13 February 2006, answers to questions on notice and a box on requested documents
- Hon Morris Iemma, Premier, to the Chairman, 13 February 2006, responding to questions provided by the Committee
- Mr Col Gellatly, Director General, Premier's Department, 15 February 2006, answers to questions on notice
- Mr Jim Glasson, Director General, Ministry of Transport, 15 February 2006, answers to questions on notice
- Dr Kerry Schott, Executive Director, Private Projects and Asset Management Directorate, to the Chairman, 15 February 2006, answers to questions on notice.

Resolved, on the motion of Ms Fazio: That the Committee publish responses to the Committee's invitation received from the Premier and Ministers Tripodi, Scully and Sartor.

Resolved, on the motion of Mr Constance: That the Committee publish answers to questions on notice.

Resolved, on the motion of Ms Fazio: That the Committee publish submission No 69.

#### 5. **Possible witness intimidation**

Resolved, on the motion of Mr Pearce: That the Committee note the letter from the A/Clerk Assistant – Committees, and that the Chair write to Ms Anderson to endorse the contents of the letter from the A/Clerk Assistant – Committees, enclosing a copy of the letter from the A/Clerk Assistant – Committees.

#### 6. **Deferred motion**

Resolved, on the motion of Ms Fazio: That the Committee defer consideration of the Ms Fazio's motion until the next meeting.

#### 7. **Future committee activity**

Resolved, on the motion of Mr Pearce: That the reporting date for the Committee's second report be the last sitting date in May.

Resolved, on the motion of Mr McLeay: That Committee Members submit lists of proposed witnesses to the Secretariat by Friday 3 March 2006.

#### 8. **Chairman's Draft First Report**

The Chairman tabled the draft First Report, which having been circulated, was taken as being read. The Committee proceeded to consider the draft First Report in detail.

Chapter One read.

Resolved, on the motion of Ms Fazio: That Chapter One be adopted by the Committee.

Chapter Two read.

Resolved, on the motion of Ms Fazio: That the table following paragraph 2.6 be amended as follows:

- amend the first row by adding '(1998)' at the end of the final sentence
- amend the last row by adding the following as a footnote: 'A connection to the Domain Tunnel allows traffic from the eastern suburbs to directly access the harbour crossings with a base toll of \$1.25.'

Resolved, on the motion of Ms Fazio: That the third dot point of paragraph 2.9 be amended by deleting 'present' and inserting instead '16 February 2006'.

Resolved, on the motion of Ms Fazio: That the second dot point of paragraph 2.13 be amended by deleting 'present' and inserting instead '16 February 2006'.

Resolved, on the motion of Ms Fazio: That paragraph 2.16 be amended by inserting as a new first sentence 'Membership of the BCC changes from time to time, as determined by Cabinet.'

Resolved, on the motion of Ms Fazio: That paragraph 2.16 be amended by inserting ‘MP’ after ‘Hon Bob Carr’ and ‘Hon Dr Andrew Refshauge’.

Resolved, on the motion of Ms Fazio: That paragraph 2.26 be amended by deleting ‘build, operate’ and inserting instead ‘finance, build, own, operate and maintain’.

The Committee noted that the Secretariat was authorised to make any typographical or grammatical changes to the report prior to tabling of the report.

Resolved, on the motion of Ms Fazio: That paragraph 2.45 be amended by deleting ‘Evans Peck’ and inserting instead ‘PKK Environment and Infrastructure Pty Ltd (Evans and Peck)’.

Resolved, on the motion of Ms Fazio: That paragraph 2.47 be amended by deleting ‘submitted to DUAP by the proponent, the Minister for Roads’ and inserting instead ‘placed on public display by the proponent, the RTA.’

Resolved, on the motion of Ms Fazio: That paragraph 2.52 be amended by replacing ‘acceptance’ with ‘selection’.

Resolved, on the motion of Ms Fazio: That a link be added to the Committee’s website to the documents referred to in the section of the report entitled ‘Contracts’.

Resolved, on the motion of Ms Fazio: That the Chronology following paragraph 2.63 be amended to list all items in correct date order, and that the following be amended, subject to confirmation of accuracy by the Secretariat:

- Replace Mr Refshauge with Dr Refshauge.
- Replace “18 June 2000” with “18 June 2001”.
- In the Sept 2001 item, replace “released” with “submitted to the Minister for Urban Affairs and Planning”.
- In the Feb 2002 item, add “as preferred proponent” after “selected”, replace “model” with “Long 80 Tunnel”, add “as the preferred proposal” at the end of the paragraph.
- Entry for 24 June 2003 indicate that call for papers was in the Legislative Council.
- In 24 June 2003 note that a substantial volume of documents were released in the public domain without a claim for privilege being made.
- In Sep 2003 for accuracy, note that a substantial volume of documents were released in the public domain without a claim for privilege being made.
- 4 November 2005 – refer to the Clerk of the Legislative Council.

Resolved, on the motion of Ms Rhiannon: That the name of the worker killed in the construction of the Cross City Tunnel remain in the Chronology, and that the Secretariat seek the consent of the worker’s family.

Resolved, on the motion of Mr Pearce, that Chapter 2 as amended, be adopted.

Chapter Three read.

Resolved, on the motion of Ms Fazio: That the Introduction be amended to read: 'One of the first decisions made with any major infrastructure project, after the decision to proceed, is the decision on how it should be funded.'

Resolved, on the motion of Ms Fazio: That following paragraph 3.7 a new paragraph be inserted to read: 'The RTA's view on the project is referred to and discussed in Chapter 6'.

Ms Fazio moved: That paragraph 3.9 be deleted.

Question put.

Committee divided.

Ayes: Mr Daley, Ms Fazio, Mr McLeay

Noes: Mr Constance, Revd Nile, Mr Pearce, Ms Rhiannon, Mr Turner

Question resolved in the negative.

Ms Fazio moved: That paragraph 3.10 be deleted.

Question put.

Committee divided.

Ayes: Mr Daley, Ms Fazio, Mr McLeay

Noes: Mr Constance, Revd Nile, Mr Pearce, Ms Rhiannon, Mr Turner

Question resolved in the negative.

Ms Fazio moved: That paragraph 3.13 be amended by deleting sentences two and four.

Question put and negatived.

Resolved, on the motion of Ms Fazio: That following paragraph 3.22 a new paragraph be inserted to read:

Mr Harris also raised alternate ways to fund such road infrastructure projects. In evidence he referred to a form of 'shadow tolls':

we should try not to penalise people who use these investments by tolling them and not tolling alternative roads; we should try to raise the revenue necessary to pay for new road investments from the network users as a whole. That can be done in many ways. It can be done on a mileage charge. Each motor vehicle in New South Wales is annually registered and goes through an annual test. There could be a mileage charge associated with that registration process. It could be done with the assistance of the Commonwealth, by having higher taxation on petroleum products in the inner city areas

The Committee questioned Mr Harris' assertion that by tolling all roads there would be a cheaper cost to the motorist. In response Mr Harris said:

You will end up with a more efficient cost, a more efficient system. People seem to think—and the argument you are pursuing seems to suggest—that because this road is new it can have a toll on it, but because that road is not new it cannot have a toll. That does not make any economic sense. That old things do not carry a price, but new things do carry a price, does not make any economic sense.

Resolved, on the motion of Ms Fazio: That following the new paragraphs inserted after paragraph 3.22 (quoting Mr Harris), a new paragraph be inserted as follows:

The Infrastructure Implementation Group's *Review of Future Provision of Motorways in NSW* (IIG Review), release in December 2005, concluded that:

The use of private financing and the associated toll road regime has enabled the provision by the NSW Roads and Traffic Authority and its predecessors of an extensive network of motorways across Sydney. These roads have been provided to the community much earlier than would have been the case if they had been funded by the public sector.

Resolved, on the motion of Ms Fazio: That the words: 'That was the experience of the previous Government and it is the experience of governments all around the world' be inserted at the end of the quote in paragraph 3.18.

Resolved, on the motion of Ms Fazio: That paragraph 3.23 be amended by deleting 'claimed' and inserting instead 'believes'.

Resolved, on the motion of Ms Fazio: That paragraph 3.28 be deleted.

The Committee considered the motion of Ms Rhiannon: That following paragraph 3.32 new paragraphs be inserted to read:

Mr Tony Harris' submission argues that:

Private funding of public roads, especially those in urban areas, has lead to higher costs for the public. This is a sufficient reason to find fault with the provision of public roads with the private sector.

Perhaps more importantly, the franchising, leasing or sale of parts of the urban road network, including the Cross City Tunnel, has lead to other sub-economic outcomes that have reduced the welfare of NSW residents.

Prof John Quiggins of University of Queensland and Prof Bob Walker of Sydney University argue the government can borrow money more cheaply than the private sector because the spread of government investments reduces the risks of lending to governments.

Ms Con Walker, Principal of Centennial Consultancy, at the public hearings advised, ‘there is nothing wrong with government borrowing to finance infrastructure that will be of benefit to current and future generations. (1 Feb 2006)

Mr Harris concludes in his submission that:

The economic adage that the part best equipped to handle an identified risk should handle it, when applied to the network of urban roads, indicates that roads should be owned by the government.

Mr Harris closes his submission with, ‘in fact, there is so much wrong with the government’s position that no economist I know has supported it, either publicly or privately.’

It is clear that the involvement of the private sector in the Cross City Tunnel has left the public interest as a very poor cousin to corporate profits. The benefits of private sector involvement have been over-played by the government, for example it is said this minimises risk and avoids debt.

The RTA, in negotiating the deal with the Cross City Tunnel consortium, has also failed to keep the best interests of the public firmly in view to ensure the public interest is maximised.

**RECOMMENDATION:**

The government should depart from the tradition of private ownership of public roads, All future new roads should be owned by the public and finance arranged by the government.

Question put and negatived.

Resolved, on the motion of Ms Rhiannon: That paragraph 3.28, which was deleted by the Committee, be replaced with the following paragraph to read:

Ms Con Walker, Principal of Centennial Consultancy, at the public hearings advised, ‘there is nothing wrong with government borrowing to finance infrastructure that will be of benefit to current and future generations.’

Ms Fazio moved: That paragraph 3.39 be deleted.

Question put.

Committee divided.

Ayes: Mr Daley, Ms Fazio, Mr McLeay

Noes: Mr Constance, Revd Nile, Mr Pearce, Ms Rhiannon, Mr Turner

Question resolved in the negative.

Resolved, on the motion of Mr Turner: That paragraph 3.39 be amended to delete 'entirely' from the second sentence.

Resolved, on the motion of Ms Fazio: That following paragraph 3.39 a new paragraph be inserted to read:

The Committee acknowledges the conclusion reached in the Motorways Review that the use of PFPs to provide infrastructure like the Cross City Tunnel has meant that these have been provided to the community much earlier than would have been the case if they had been funded by the public sector.

Resolved, on the motion of Ms Fazio: That paragraph 3.40 be deleted and a new paragraph be inserted to read:

The Committee notes that the level of public debt needs to be carefully managed. High levels of public debt may risk the credit rating of the state and reduce the flexibility of the Government to respond effectively to issues.

Ms Fazio moved: That paragraph 3.51 be amended by deleting the second last sentence.

Question put and negatived.

Ms Fazio moved: That paragraphs 3.55 – 3.57 be deleted.

Question put and negatived.

Resolved, on the motion of Ms Fazio: That paragraph 3.55 be amended to read: 'Mr Peter Mills, in his submission to the Inquiry, was critical ...'

Resolved, on the motion of Ms Fazio: That following paragraph 3.57 a new paragraph be inserted to read:

As noted on page 9 of the RTA Finalisation Report, there were six options for the project. Four offered an up front payment and two required a payment from the Government. Two of the proposals were for the 'long 80 tunnel' and four were not.

Ms Fazio moved: That paragraph 3.61 be amended by deleting all words after 'tunnel portals' in the final sentence.

Question put.

Committee divided.

Ayes: Mr Daley, Ms Fazio, Mr McLeay

Noes: Mr Constance, Revd Nile, Mr Pearce, Ms Rhiannon, Mr Turner

Question resolved in the negative.

Mr McLeay moved: That paragraph 3.61 be amended by amending the last sentence to read, ‘... leading to considerable frustration and anger in certain sections of the community and potentially leading to a political cost to government.’

Question put.

Committee divided.

Ayes: Mr Daley, Ms Fazio, Mr McLeay, Revd Nile

Noes: Mr Constance, Mr Pearce, Ms Rhiannon, Mr Turner

There being an equality of votes, the Chairman exercised his casting vote with the ayes.

Question resolved in the affirmative.

Ms Fazio moved: That following paragraph 3.61 a new paragraph be inserted to read:

However, the Committee notes that the no cost to Government policy has meant no cost to taxpayers collectively and no diversion of funding from other road projects. The Committee also heard evidence about the benefits of the tunnel, not only to the motorists who use it but also to the environment, pedestrians, public transport users and to the amenity of the city in general.”

Question put and negatived.

Resolved, on the motion of Mr McLeay: That Chapter Three, as amended, be adopted by the Committee.

Chapter Four read.

Resolved, on the motion of Ms Fazio: That paragraph 4.1 be amended by deleting the final sentence of the final dot point

Resolved, on the motion of Ms Fazio: That table following paragraph 4.3 be amended by deleting the title of the ‘date’ column and inserting instead ‘timeline’.

Resolved, on the motion of Ms Fazio: That paragraph 4.5 be amended by inserting ‘they’ between ‘how’ and ‘hoped’.

Ms Fazio moved: That paragraphs 4.15 – 4.16 be deleted.

Question put.

Committee divided.

Ayes: Mr Daley, Ms Fazio, Mr McLeay

Noes: Mr Constance, Revd Nile, Mr Pearce, Ms Rhiannon, Mr Turner

Question resolved in the negative.

Ms Fazio moved: That paragraph 4.23 be deleted.

Question put.

Committee divided.

Ayes: Mr Daley, Ms Fazio, Mr McLeay

Noes: Mr Constance, Revd Nile, Mr Pearce, Ms Rhiannon, Mr Turner

Question resolved in the negative.

Resolved, on the motion of Mr McLeay: That paragraph 4.24 be amended by deleting ‘and in the current Government’ in the first sentence.

Resolved, on the motion of Ms Fazio: That paragraph 4.26 be deleted.

Resolved, on the motion of Ms Fazio: That paragraph 4.27 be deleted and the following paragraph inserted instead:

While agreeing that competition and innovation are desirable aspects of private sector participation in the provision of public infrastructure, the Committee agrees that toll levels should be based on a range of considerations including financial objectives, strategic transport objectives and government policies on the reduction or management of vehicle movements. It would be preferable for the community to comment on toll levels proposed prior to the environmental planning and approval process occurring and prior to contract negotiations where toll levels would be set. These factors suggest that consideration of toll levels in the EIS process should remain.

Resolved, on the motion of Ms Fazio: That following paragraph 4.37 a new paragraph be inserted to read:

Despite this, non-conforming bids are a normal part of Government procurement processes. Professor Richmond in his evidence before the Committee pointed out the benefits of non-conforming bids:

...one of the opportunities – as I think has been shown in a number of situations – for innovation occurs when you provide the private sector with the opportunity to come up with alternatives. In this case there were some clear benefits to the project from the longer tunnel. I would not see the fact that the project changed as a result of an assessment by the private sector as necessarily a bad thing.”

Ms Fazio moved: That paragraph 4.42 be deleted.

Question put and negatived.

Mr Pearce moved: That paragraph 4.41 be amended in the second sentence by deleting ‘have the opportunity to’.

Question put and negatived.

Resolved, on the motion of Mr Turner: That paragraph 4.41 be amended by deleting 'did not have' and inserting instead 'were not given'.

Resolved, on the motion of Mr McLeay: That paragraph 4.48 be amended in the first sentence by deleting 'The fact that' and deleting 'has' and inserting instead 'and this'.

Resolved, on the motion of Mr Pearce: That Recommendation 4 be amended by deleting the second sentence and accompanying dot points, and inserting instead 'and this will be further considered in the Committee's second report.'

Ms Fazio moved: That paragraph 4.49 be amended in the first sentence to read: 'The Committee heard evidence in relation to providing for Sydney's future transport needs.'

Question put.

Committee divided.

Ayes: Mr Daley, Ms Fazio, Mr McLeay

Noes: Mr Constance, Revd Nile, Mr Pearce, Ms Rhiannon, Mr Turner

Question resolved in the negative.

Mr McLeay moved: That paragraph 4.51 be amended by deleting the first sentence.

Question put and negatived.

Resolved, on the motion of Mr Pearce: That paragraph 4.54 be amended in the first sentence by deleting 'commends' and inserting instead 'supports'.

Resolved, on the motion of Ms Fazio: That paragraph 4.59 be amended in the first sentence to read: 'The Committee notes that the RTA as the proponent of the project was required to ...'.

Ms Fazio moved: That paragraphs 4.64 – 4.65 be deleted.

Question put and negatived.

Resolved, on the motion of Ms Fazio: That Recommendation 6 be deleted.

Resolved, on the motion of Mr Pearce: That Chapter Four, as amended, be adopted.

Chapter Five read.

Mr McLeay moved: That paragraph 5.37 be deleted.

Question put and negatived.

Resolved, on the motion of Ms Fazio: That paragraph 5.46, 5.54 and 5.56 be amended by updating the positions of the persons listed, to reflect their position at the time of assessment and their current position.

Resolved, on the motion of Mr McLeay: That paragraph 5.61 be amended in the second sentence by deleting 'have sufficient information about' and inserting instead 'fully comprehend'.

Resolved, on the motion of Ms Fazio: That following paragraph 5.65 a new paragraph be inserted to read:

However, the Committee notes that only change sought by CCM concerned limited vehicle movements was at Cowper Wharf Road. That change was publicly exhibited as part of the SEIS, but was not approved by RTA, as published in the subsequent Preferred Activity Report.

Mr McLeay moved: That paragraph 5.68 be amended in the first sentence to delete from 'which is likely to of resulted in the selection of the 'long 80 tunnel' over the original scheme.'

Question put and negatived.

Ms Fazio moved: That paragraph 5.81 be deleted.

Question put and negatived.

Resolved, on the motion of Ms Fazio: That following paragraph 5.87 a new paragraph be inserted to read:

The committee heard evidence from Chris Wilson, traffic expert from Masson Wilson Twiney that:

One of the complications we have at the moment is that we are going into the Christmas holiday period and the numbers are all over the place at the moment.

Resolved, on the motion of Mr McLeay: That paragraphs 5.97 – 5.98 a new paragraph be inserted to read:

Mr Chris Ford, Director Traffic and Transport, RTA, in response to the suggestion that the ceiling capacity of the tunnel was less than the traffic estimates, discussed in evidence to the Committee, the use of expansion factors in calculating ceiling capacity:

In the evidence that was tendered yesterday, an expansion factor derived from the Sydney Harbour Bridge was applied to the lane capacities to return the ceiling capacity for the cross-city tunnel. An assumption in determination of the expansion factor was that, in fact, there were nine traffic lanes on the Sydney Harbour Bridge; in fact, there were only eight traffic lanes at the time the analysis was undertaken. The expansion factor, using the same analysis, was increased from 10 to 11.5 and, using the same calculations, would generate a ceiling capacity of 90,000 rather than the 80,000 quoted yesterday. At the very least I have some issues with the calculations.

Resolved, on the motion of Ms Fazio: That following the new paragraph inserted after paragraph 5.98, a new paragraph be inserted to read:

The Committee recognises that creating traffic projections for major projects is complex. The accuracy of such projections relies on assumptions made by traffic experts. Different experts may generate different assumptions and therefore different projections for the same projects.

Resolved, on the motion of Ms Fazio: That following paragraph 5.98 a new paragraph be inserted to read:

The difficulties in accurately forecasting traffic volumes was demonstrated by Ms Ziebots revising the estimates she provided to the Committee the day after giving evidence.

Resolved, on the motion of Ms Fazio: That paragraph 5.100 be amended by deleting all the words after ‘we wish to raise...’

Ms Rhiannon moved: That following paragraph 5.101 a new recommendation be inserted to read:

That the RTA request that CrossCity Motorway place daily and monthly Cross City Tunnel traffic use figures on their website.

Resolved, on the motion of Mr McLeay: That paragraph 5.108 be moved to after paragraph 5.113.

Ms Fazio moved: That Recommendation 8 be deleted.

Question put and negatived.

Resolved, on the motion of Mr Constance: That Recommendation 8 be amended to read ‘That any policy of charging ...’.

Resolved, on the motion of Ms Fazio: That paragraph 5.115 be amended in the first sentence by deleting ‘many’.

Resolved, on the motion of Ms Fazio: That paragraph 5.119 be amended by deleting ‘major’.

Resolved on the motion of Mr Turner: That following paragraph 5.124 a new paragraph be inserted to read:

The Committee notes that the Ernst & Young advice to the RTA in December 2004 states that the 15¢ increase would result in a change in toll revenue from \$5,500,430,000 to \$5,808,600,000 over the course of the project term. This is an increase of \$308,199,000.

Resolved, on the motion of Ms Fazio: That the Committee urgently refer to the RTA the paragraphs proposed by Mr Pearce to follow paragraph 5.129, requiring a response by 4:30pm. The Committee will reconsider Mr Pearce’s amendments after the 4:30pm deadline.

The Committee considered the advice received from the RTA. Resolved, on the motion of Mr Pearce: That following paragraph 5.129 a new paragraph be inserted to read:

***Calculation of toll escalation***

A number of Committee members raised issues about the calculation of the toll and the toll escalation formula. At the time of this report, the issues had not been resolved with the RTA, and are still being investigated.

Resolved, on the motion of Mr Pearce, that the Committee seek further clarification of the RTA's advice.

Resolved, on the motion of Ms Fazio: That paragraph 5.131 be amended by inserting a footnote reference.

Resolved, on the motion of Ms Fazio: That paragraph 5.137 be amended by deleting 'similarly'.

Resolved, on the motion of Mr Pearce: That paragraph 5.139 be amended by deleting 'upper level' and inserting instead 'increased escalation.'

Mr McLeay moved: That paragraph 5.139 be amended by deleting 'the BCF' and inserting instead 'the costs of delivering the project'.

Question put and negatived.

Resolved, on the motion of Ms Fazio: That following paragraph 5.139 a new paragraph be inserted to read:

However, evidence was provided to the Committee from Mr Chris Wilson of Massey Wilson Twiney about the effect of a reduction in the toll:

Preliminary analysis has indicated that should the toll for the main tunnel be decreased to \$2.90 for cars, the resultant additional traffic would likely result in a revenue neutral outcome."

Resolved, on the motion of Mr Pearce: That paragraph 5.140 be amended in the first sentence by deleting 'little' and inserting instead 'insufficient'.

Ms Fazio moved: That paragraph 5.140 be deleted.

Question put and negatived.

Resolved, on the motion of Mr Constance that Chapter Five, as amended, be adopted.

Chapter Six read.

Resolved, on the motion of Ms Fazio: That paragraph 6.4 be amended in the first sentence to delete 'potentially'.

Resolved, on the motion of Mr McLeay: That paragraph 6.11 be amended in the quote by adding the following to the end of the quote:

They actually produced a report in 1999, submitted that to government and sought comment. As I said, there was an enormous amount of consultation with the Chamber of Commerce, the task force, the William Street committees and the like. At the end of the day, while the Government put out the report in 1998 suggesting that it be a short tunnel, the decision was made at that point in time to make it a longer tunnel. But the objectives I talked about in my opening address was very much about improving the environmental quality of public spaces within central Sydney, improving ease of access and reliability of travel within Sydney. An important one was doing a lot of things for the bus and basically the public transport lobby as well.

Ms Fazio moved: That paragraph 6.17 be amended in the second sentence by deleting from ‘that there was concern ... ‘long tunnel’” and inserting instead ‘the level of awareness in the community about the differences this option represented over the ‘long tunnel’ and indicates the success of the community liaison process.’

Question put.

Committee divided.

Ayes: Mr Daley, Ms Fazio, Mr McLeay

Noes: Mr Constance, Revd Nile, Mr Pearce, Ms Rhiannon, Mr Turner

Question resolved in the negative.

Resolved, on the motion of Ms Fazio: That following paragraph 6.27 a new paragraph be inserted to read: ‘A full list of all road changes is included in Appendix 4.’

Resolved, on the motion of Ms Fazio: That paragraph 6.32 be deleted.

Resolved, on the motion of Ms Fazio: That paragraph 6.33 be deleted.

Resolved, on the motion of Ms Fazio: That paragraph 6.41 be amended in the second sentence by deleting ‘assuming the consultation ... was appropriate’, and inserting instead:

given the project and its parameters had been approved and the role of the Community Liaison Groups was to make comments and recommendations about the implementation of development and environmental plans and monitor compliance with the conditions of planning approval

Resolved, on the motion of Ms Fazio: That paragraph 6.52 be deleted.

Ms Fazio moved: That paragraphs 6.54 – 6.55 be deleted.

Question put and negatived.

Resolved, on the motion of Ms Rhiannon: That following paragraph 6.51 a new paragraph be inserted to read:

Cr Kerri Huxley of Woollahra Council also was concerned about lack of information from Ms Moore, Lord Mayor and local Member:

Despite numerous letters or submissions Clover may have made to the State Government or to the submissions, that is all we have seen of our local representative. The general feeling is great dissatisfaction, that this should never have occurred.

Ms Fazio moved: That following paragraph 6.52 a new paragraph be inserted

However, the Committee notes that the approved project was set out in the SEIS as amended by the Preferred Activity Report both of which were publicly exhibited. The preferred activity report, it was released and put on public display from 25 November to tunnel opening. This was supported by included a media release on 25/11/02, newspaper advertising, and website information. Both documents were on display at several locations between 25/11/02 and 23/12/02, including the RTA public display office and council offices. The preferred activity report and Supplementary EIS were also included in the BHBB project display offices from Jan 2003 until the tunnel opened.

Question put and negatived.

Resolved, on the motion of Ms Fazio: That paragraph 6.56 be amended by deleting 'and adding that' and deleting the quote 'To the RTA ... (secret) project.'

Resolved, on the motion of Ms Fazio: That paragraph 6.65 be amended in the first sentence by deleting 'entirely'.

Resolved, on the motion of Ms Fazio: That paragraph 6.69 be amended in the first sentence by inserting 'some members of' before 'the community'.

Resolved, on the motion of Ms Fazio: That paragraph 6.69 be amended by deleting the last sentence.

Resolved, on the motion of Ms Fazio: That paragraph 6.65 be amended in the quote by inserting the following to the beginning of the quote:

In fact, the statement made by the Planning Institute of Australia in support of release of commercial terms before they have been settled and the involvement of community consultation in the commercial negotiation of these deals, is, I would say, absolutely ridiculous!

Ms Fazio moved: That Recommendation 11 be deleted.

Question put.

Committee divided.

Ayes: Mr Daley, Ms Fazio, Mr McLeay, Ms Rhiannon

Noes: Mr Constance, Revd Nile, Mr Pearce, Mr Turner

There being an equality of votes, the Chairman exercised his casting vote with the noes.

Question resolved in the negative.

Resolved, on the motion of Ms Rhiannon: That following paragraph 6.90 a new paragraph be inserted to read:

Sam Harding, who is a resident of Rushcutters Bay, said:

The closing of Bourke Street from Williams Street has made it a lot more difficult to simply move around the local area because it has isolated both Darlinghurst in the west and Woolloomooloo in the north.'

Resolved, on the motion of Ms Fazio: That following the two new paragraphs inserted after paragraph 6.90, a new paragraph be inserted to read:

Not all the evidence received by the Committee was against the closure of Bourke Street. Ms Sue Pynenburg, Business Manager for Sydney Church of England Girls Grammar School, said in evidence to the Committee that:

Some of the parents have indicated that it might take them a few extra minutes to reach their destination after they have dropped off children. However we believe that the safety of children, air quality and the possibility of creating a grid lock situation in William Street are far more important issues than perhaps some people taking a little extra time to reach destinations.

Resolved, on the motion of Mr McLeay: That paragraph 6.91 be amended in the first sentence to read: 'The closure will be reviewed for effectiveness at 6 and 12 monthly intervals'.

Resolved, on the motion of Mr McLeay: That paragraph 6.94 be amended by deleting 'and the willingness ... community.'

Ms Rhiannon moved: That Recommendation 13 be deleted and insert instead:

The trial closure of Bourke Street ends on 28 February 2006. The Committee recommends the RTA immediately re-open that street while a review is conducted.

Question put.

Committee divided.

Ayes: Mr Constance, Revd Nile, Mr Pearce, Ms Rhiannon, Mr Turner

Noes: Mr Daley, Ms Fazio, Mr McLeay

Question resolved in the affirmative.

Resolved, on the motion of Ms Fazio: That following paragraph 6.88 a new paragraph be inserted to read:

The Committee notes the extensive consultation undertaken by the RTA concentrated on people who were to be most affected by the change. DRAG was outside that immediate area.

Resolved, on the motion of Mr Pearce: That Chapter Six, as amended, be adopted by the Committee.

Chapter Seven read.

Resolved, on the motion of Ms Fazio: That the Introduction be amended in the first sentence by deleting from 'with road changes ... Tunnel operator.'

Ms Fazio moved: That paragraph 7.1 be amended by deleting the second sentence.

Question put and negatived.

Mr Turner moved: That paragraph 7.1 be amended by inserting the following at the beginning of the second sentence: 'In view of the Premier's failure to accept repeated invitations to appear before the Committee to clarify his comments, the Premier's comments appear ...'.

Committee divided.

Ayes: Mr Constance, Revd Nile, Mr Pearce, Ms Rhiannon, Mr Turner

Noes: Mr Daley, Ms Fazio, Mr McLeay

Question resolved in the affirmative.

Resolved, on the motion of Ms Fazio: That paragraph 7.26 be amended by inserting after change 'materially and'.

Resolved, on the motion of Mr Pearce: That following paragraph 7.13 a new paragraph be inserted to read:

In response to questions relating to the number of intersections with traffic light changes, Mr Hannon said in evidence to the Committee that:

that would total approximately 400 intersections. Every intersection in the city would have undergone changes to cycle time and green time depending on traffic densities.

Resolved, on the motion of Mr Turner: That following paragraph 7.13 a new paragraph be inserted to read: The Committee notes that CCM met with the RTA to discuss changes to traffic light phasing.

Ms Rhiannon moved: That following paragraph 7.22 a new section be inserted to read:

The government has refused to re-negotiate the tunnel contract and claims that buying back the tunnel would cost more than \$1 billion.

Advice to the inquiry from the eminent constitutional law expert, Prof Tony Blackshield is that the constitutional law practices mean the tunnel contract does not restrict the government's ability to take action to better the tunnel chaos:

the agreements impose no legally binding constraint on the NSW Government or the RTA in determining how best to deal with the management of the tunnel and of the various traffic problems associated therewith.

Prof Blackshield says that uncertainty in the contract is significant in that:

it is not correct to say that ... the Government is now irrevocably bound either to accept the existing arrangements or pay massive compensation ... [and] ... in any serious negotiations with the developers that very uncertainty might itself strengthen the government's hand ... the developers might well be prepared to accept a lower level of compensation rather than face the possibility of not getting any compensation at all.

The government and the RTA should be should by its primary duty to the public of NSW to take action to fix the growing problems created by the road closures.

The 90,000 cars per day traffic figure that the Premier has based his \$1 billion figure was never realistic. The reality is that only 30,000 are using the tunnel per day. This would be that straight to the point for any contract renegotiations.

Legal advice from Prof Blackshield is that the contract is very uncertain and this strengthens the government's ability to renegotiate road closures and lower the toll.

This legal advice from Prof Blackshield makes possible of a public buy back of the tunnel at a cost far lower than the \$1 billion that the Premier continues to say would be the sale price.

#### RECOMMENDATION:

The government should immediately request that the Crown solicitor review the:

- advice provided to the inquiry by Professor Tony Blackshield
- the Cross City Tunnel contract

and provide independent legal advice to the government about its ability to renegotiate the Cross Coty Tunnel contract.

The government should then enter into fresh negotiations with the Cross City Tunnel consortium with the aim of:

- reversing above ground road changes
- reducing the toll to \$2
- removing the possibility of financial compensation if the government improves public transport or introduces new public transport.

The government should also actively investigate the feasibility of a public buy back of the tunnel, either now or in the future when the price is right. If the government brought the tunnel back into public hands it should lower the toll, making the tunnel more attractive to users. Once the price of the tunnel is recouped, the toll should be

kept on and the profits put into a special fund to pay for future public transport projects.

Question put and negatived.

Resolved, on the motion of Ms Fazio: That paragraph 7.40 be amended by deleting 'appreciate' and inserting instead 'fully understand'.

Resolved, on the motion of Ms Rhiannon: That paragraph 7.42 be amended by inserting new sentences after the first sentence to read: 'New public transport initiatives which do not have a material adverse effect on tunnel traffic may lead to compensation to CCM from the Government. In a letter from Clayton Utz to the RTA, dated 12 October 2005, they say:

The Project Deed for the Cross City Tunnel project between Roads and Traffic Authority and CrossCity Motorway explicitly recognises the Government's unrestricted capacity to manage and upgrade the public transport network. To quote from the Project Deed: 'Nothing in this Deed will any way limit or restrict the ability or power of RTA or the Government, directly or through any Authority to:

- extend, alter or upgrade existing public transport routes or services
- construct new public transport routes or establish new transport services; or
- develop the transport network generally.

Further, CCM will have no rights to compensation under the Project Deed if:

- there is increased patronage of existing public transport routes and services; or
- there are initiatives for new public transport routes or services introduced which do not have a material affect on traffic capacity on connections to and from the Cross City Tunnel.

Ms Fazio moved: That paragraph 7.45 be amended by:

- deleting the first sentence
- amending the second sentence to begin: 'The Committee notes that changes were made to the road network and that this is ...'
- amending the third sentence by deleting 'funnelling' and inserting instead 'changes to the road network'.

Question put.

Committee divided.

Ayes: Ms Fazio, Mr McLeay

Noes: Mr Constance, Revd Nile, Mr Pearce, Ms Rhiannon, Mr Turner

Question resolved in the negative.

Resolved, on the motion of Mr Pearce: That paragraph 7.45 be amended to add a new third sentence after 'EIS' to read: 'The outcomes however, have been more severe in creating disruption than are acceptable to the community.'

Ms Fazio moved: That paragraph 7.48 be amended by deleting the second sentence, and in the third sentence deleting 'even'.

Question put and negatived.

Mr Constance moved: That Recommendation 14 be deleted and replaced with the following: 'That the RTA immediately reverse the traffic changes identified in Appendix 5 and categorised as categories B, C or D and further investigate those referred to as category A as soon as possible.'

Question put.

Committee divided.

Ayes: Mr Constance, Revd Nile, Mr Pearce, Ms Rhiannon, Mr Turner

Noes: Mr Daley, Ms Fazio, Mr McLeay

Question resolved in the affirmative.

Resolved, on the motion of Mr Turner: That Recommendation 15 be amended in the second sentence to read: 'A reduction of the toll to \$2.90, as suggested by the RTA's traffic consultants, would be revenue neutral and improve patronage of the tunnel.'

Mr Pearce moved: That Chapter Seven, as amended, be adopted by the Committee.

Question put.

Committee divided.

Ayes: Mr Constance, Revd Nile, Mr Pearce, Ms Rhiannon, Mr Turner

Noes: Mr Daley, Ms Fazio, Mr McLeay

Question resolved in the affirmative.

Chapter Eight read.

Resolved, on the motion of Ms Fazio: That paragraph 8.30 be amended by deleting the last sentence.

Ms Fazio moved: That paragraph 8.31 be amended by deleting 'deemed' and inserting instead 'stated'

Ms Fazio moved: That paragraph 8.31 be amended by deleting the second sentence.

Question put and negatived.

Resolved, on the motion of Ms Fazio: That paragraph 8.34 be amended by deleting 'Greens member'.

Ms Fazio moved: That paragraph 8.54 be amended by deleting the second and third sentences.

Question put and negatived.

The Committee considered the motion of Ms Rhiannon: That following paragraph 8.54 a new paragraph be inserted to read: 'The unwillingness of the Committee to call representatives from Clayton Utz and Ernst & Young limited the work of the Committee.'

Question put and negatived.

Resolved, on the motion of Mr Turner: That Chapter Eight, as amended, be adopted by the Committee.

Resolved, on the motion of Mr Constance: That Chapter Five, as amended, be adopted by the Committee.

Resolved, on the motion of Ms Fazio: That dissenting statements be submitted to the Secretariat no later than 9am Friday 24 February 2006.

The Chairman indicated that he would endeavour to circulate a copy of his Foreword at the following day's deliberative meeting.

## **9. Adjournment**

The Committee adjourned at 6:05pm until Thursday 23 February at 9:30am.

**Rachel Simpson**  
**Clerk to the Committee**

Minutes No 10

Thursday 23 February 2006

Room 1153, Parliament House, at 9:30 am

### **1. Members Present**

Revd Fred Nile (Chairman)  
Ms Amanda Fazio  
Mr Greg Pearce  
Ms Lee Rhiannon  
Mr Andrew Constance  
Mr Michael Daley  
Mr Paul McLeay  
Mr John Turner

### **2. Confirmation of Minutes**

Resolved, on the motion of Ms Rhiannon: That Minutes No 9 be confirmed, subject to committee members having an opportunity to check them.

**3. Correspondence**

• ***Received***

- Ms Helen Vickers, Corporate Counsel, RTA, to Committee Director, in response to the Committee's question regarding toll escalation methodology

**4. Deferred motion**

Debate resumed on the motion of Ms Fazio, deferred from the previous meeting:

That:

1. the Committee notes the comments made by Ms Rhiannon during a radio interview with Alan Jones on 2GB on 3 February 2006
2. the Committee considers the action of Ms Rhiannon in making statements in relation to deliberations of the Committee is in breach of Standing Order 224, initial resolution 3 of the Committee and parliamentary practice
3. Ms Rhiannon is reminded that the deliberation of the a committee may not be disclosed until made public or until the Committee has reported to the House
4. the Committee does not report this matter to the House

Question put.

The Committee divided.

Ayes: Revd Nile, Mr Daley, Ms Fazio, Mr McLeay

Noes: Mr Constance, Mr Pearce, Ms Rhiannon, Mr Turner

There being an equality of votes, the Chairman exercised his casting vote with the ayes.

Question resolved in the affirmative.

**5. Conduct of committee members**

Ms Rhiannon moved:

That:

1. the Committee notes the comments made by Revd Nile during radio interviews with Alan Jones on 2GB on 15 November 2005 and 3 February 2006
2. the Committee considers the action of Revd Nile in making statements in relation to deliberations of the Committee is in breach of Standing Order 224, initial resolution 3 of the Committee and parliamentary practice
3. Revd Nile is reminded that the deliberation of the a committee may not be disclosed until made public or until the Committee has reported to the House
4. the Committee reports this matter to the House

Debate ensued.

Question put.

The Committee divided.

Ayes: Mr Constance, Mr Pearce, Ms Rhiannon, Mr Turner

Noes: Revd Nile, Mr Daley, Ms Fazio, Mr McLeay

There being an equality of votes, the Chairman exercised his casting vote with the noes.

Question resolved in the negative.

**6. Chairman's Draft First Report**

The Draft First Report, as amended, was circulated.

Resolved, on the motion of Ms Fazio: That the report, with amendments, be adopted by the Committee, signed by the Chairman and presented to the Houses.

Resolved, on the motion of Ms Fazio: That the Secretariat be authorised to make any typographical or grammatical changes to the report prior to tabling of the report.

Resolved, on the motion of Ms Fazio: That the Committee hold a media conference at 1.45pm on Tuesday 28 February 2006, and that the report be tabled with the Clerks of both houses prior to the media conference.

**7. Disclosure of Draft First Report**

Resolved, on the motion of Ms Fazio:

That:

1. the Chairman write to the following persons requesting an indication as to whether they were responsible for the disclosure or are able to provide any information that could be of assistance in determining the source of the disclosure.:
  - Committee members including the Chairman
  - former committee member Mr Matt Brown
  - staff of the Committee Secretariat
  - journalists (print and radio) who have reported on the Committee's draft report
2. the Committee consider responses received and any action it will take.

**8. Future committee activity**

Resolved, on the motion of Ms Fazio: That the Secretariat circulate a calendar for members' availability for further hearings as part of the second part of the Committee's inquiry.

**9. Adjournment**

The Committee adjourned at 10.15 *sine die*.

**Rachel Simpson**  
**Clerk to the Committee**

## Appendix 9 Dissenting statements

### STATEMENT OF DISSENT— MS LEE RHIANNON

The controversy surrounding the Cross City Tunnel has fuelled many conflicting viewpoints about the contract, tunnel operations and associated matters. Most submissions and evidence from witnesses assisted the Inquiry. However, I believe the Inquiry's work would have been more thorough if we had heard evidence from representatives of Clayton Utz, the legal firm for the RTA, and Ernst and Young, the financial company that advised the Cross City Consortium. Other Committee members did not support my motion to call representatives of these companies to give evidence to the Inquiry.

I also proposed a number of additions to the Committee's report that were not supported.

#### **Roads should be owned by the public with finance arranged by the government**

Mr Tony Harris' submission argues that, 'private funding of public roads, especially those in urban areas, has lead to higher costs for the public. This is a sufficient reason to find fault with the provision of public roads by the private sector. ... Perhaps more importantly, the franchising, leasing or sale of parts of the urban road network, including the Cross City Tunnel, has lead to other sub-economic outcomes that have reduced the welfare of NSW residents.'<sup>385</sup>

Professor Bob Walker of Sydney University argues the government can borrow money more cheaply than the private sector because the spread of government investments reduces the risks of lending to governments.<sup>386</sup>

Mr Harris concludes in his submission that, 'the economic adage that the part best equipped to handle and identified risk should handle it, when applied to the network of urban roads, indicates that roads should be owned by the government.' Mr Harris closes his submission with, 'in fact, there is so much wrong with the government's position that no economist I know has supported it, either public or privately.'<sup>387</sup>

It is clear that the involvement of the private sector in the Cross City Tunnel has left the public interest as a very poor cousin to corporate profits. The benefits of private sector involvement have been over-played by the government, for example it is said this minimises risk and avoids debt.

The RTA, in negotiating the deal with the Cross City Tunnel consortium, has also failed in its primary task which is to work in the interests of the public.

#### ***Recommendation:***

The government should depart from the tradition of private ownership of public roads. All future new roads should be owned by the public and finance arranged by the government.

<sup>385</sup> Submission 11, Tony Harris, paragraphs 6 and 7

<sup>386</sup> Submission 67, Professor Bob Walker, University of Sydney, and Betty Con Walker, Centennial Consultancy, p9

<sup>387</sup> Submission 11, Tony Harris, paragraphs 62-64

**Government should renegotiate the contract in the public interest**

The government has refused to re-negotiate the tunnel contract and claims that buying back the tunnel would cost more than \$1 billion.

Advice to the inquiry from Professor Anthony Blackshield is that constitutional law principles mean the tunnel contract does not restrict the government's ability to take action to better manage the tunnel chaos. Professor Blackshield told the inquiry that:

there are serious possibilities that government might be able to abandon this contract without paying any compensation at all, and the developers' awareness of that possibility might well lead them to accept a more reasonable level of compensation.<sup>388</sup>

Professor Blackshield says that uncertainty in the contract is significant in that:

it is not correct to say that...the Government is now irrevocably bound either to accept the existing arrangements or pay massive compensation...[and]...in any serious negotiations with the developers that very uncertainty might itself strengthen the government's hand...the developers might well be prepared to accept a lower level of compensation rather than face the possibility of not getting any compensation at all.<sup>389</sup>

The government should be bound by its primary duty to the public to take action to fix the growing problems created by the road closures.

The 90,000 cars per day traffic figure that the Premier has based his \$1 billion figure was never realistic. Peter Sansom when he gave evidence as the CCM CEO said that on most days less than 30,000 vehicles use the tunnel.<sup>390</sup> The actual daily traffic figures should be the starting point for any contract renegotiations.

Legal advice from Professor Blackshield is that the contract is very uncertain and this strengthens the government's ability to renegotiate road closures and lower the toll.

This legal advice makes possible a public buy back of the tunnel at a cost far lower than the \$1 billion that the Premier continues to say would be the sale price.

***Recommendation:***

The government should immediately request that the Crown Solicitor review the:

- advice provided to the inquiry by Professor Tony Blackshield
- the Cross City Tunnel contract and provide independent legal advice to the government about its ability to renegotiate the Cross City Tunnel contract.

The government should then enter into fresh negotiations with the Cross City Tunnel consortium with the aim of:

- reversing above ground road changes
- reducing the toll to \$2

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<sup>388</sup> Professor Anthony Blackshield, Evidence, 1 February 2006, p79

<sup>389</sup> Professor Anthony Blackshield, Evidence, 1 February 2006, p73

<sup>390</sup> Mr Peter Sansom, Evidence 3 February 2006, p65

- removing the possibility of financial compensation if the government improves public transport or introduces new public transport.

The government should also actively investigate the feasibility of a public buy back of the tunnel, either now or in the future when the price is right. If the government brought the tunnel back into public hands it should lower the toll, making the tunnel more attractive to users. Once the price of the tunnel is recouped, the toll should be kept on and profits put into a special fund to pay for future public transport projects.

### **CCT traffic figures**

On the two occasions that Mr Peter Sansom, as the CCM CEO, gave evidence he was asked to release daily Cross City Tunnel traffic use data. He refused arguing that such data is “commercial in confidence”.<sup>391</sup> Mr Sansom said “it is not Cross City Motorway’s policy to publish figures”.<sup>392</sup>

This lack of cooperation from the former CEO of the Cross City Consortium was disappointing. Clearly there is a great deal of public interest in this project. Restricting the public’s access to such information fuels the perception that this project is not fulfilling the traffic projections that the Project Deed is based on.

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<sup>391</sup> Mr Peter Sansom, Evidence, 3 February 2006, p69

<sup>392</sup> Mr Peter Sansom, Evidence, 3 February 2006, p69

## DISSENTING REPORT– HON AMANDA FAZIO MLC

### Evaluation of Public Interest

The Government members are disappointed the Committee has concluded the public interest was not sufficiently evaluated before the decision was taken to open the project to the private sector.

The Committee heard evidence from former Premier Carr that:

The Government was open to arguments about whether a publicly funded toll road would offer more advantages to the taxpayer. Our very first decision on the cross-city tunnel was to require a study of this as an option. As a result of that there was emphatic advice from Treasury, based on a public sector comparator, that the public sector could not have delivered the project as the private sector could.<sup>393</sup>

John Pierce, Secretary, NSW Treasury<sup>394</sup> gave evidence on the mechanisms established under the Working with Government Guidelines for ensuring public interest is taken into account and on how the public sector comparator (PSC) works to enable a value based comparison to be made with private sector bids. He said:

The outcome of the process was the selection of a private sector proponent. We would have got to that position by comparing the bids with the PSC. That is effectively what we are saying: the private sector proposal gives greater value for money than the public system could deliver on its own, as reflected in the PSC.

### No net cost to Government policy

This conclusion is not balanced and does not reflect the full extent of evidence on the outcomes of this policy. The Committee heard the no cost to Government policy has meant no cost to taxpayers collectively and no diversion of funding from other important road or infrastructure projects.<sup>395</sup>

Evidence was presented about the expected benefits of the tunnel, particularly after the ramp up period, to the environment, pedestrians, public transport users, and to the amenity of the city in general. The conclusion that the selection of the long 80 tunnel was “likely” to have resulted from the no net cost to Government objective is not supported by evidence.<sup>396</sup>

### Planning Approval

The report’s claim that the timing of the final planning approval contributed to the increase in the base toll level is disputed. The RTA gave evidence that the physical scope of projects can easily change, particularly a project such as this:

When you are dealing with a very complex environment like the central business area of Sydney where you are going underneath multistorey buildings and basements and tunnels that impact on

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<sup>393</sup> Hon Bob Carr, former NSW Premier, Evidence, 6 December 2005, p 22

<sup>394</sup> Mr John Pierce, Secretary, NSW Treasury, Evidence, 1 February 2006, pp 50 - 51

<sup>395</sup> For example, Hon Bob Carr, former NSW Premier, Evidence, 6 December 2005, p 34, Hon Michael Egan, former NSW Treasurer, Evidence, 6 December 2005, p 37 to 38

<sup>396</sup> For example, Hon Bob Carr, former NSW Premier, Evidence, 6 December 2005, p 22, Hon Michael Egan, former NSW Treasurer, Evidence, 6 December 2005, p 37 to 38

those sorts of things, you sometimes get physical scope changes to projects that could not have been forecast by anyone.<sup>397</sup>

### **Environmental Impact Statement and Supplementary Environmental Impact Statement process**

The Government members dispute the conclusions in the report that the aim of no cost to government overrode other objectives of the project and had implications for environmental outcomes, that the initially approved tunnel was a better project, and that the analysis and assessment following the SEIS was not as in depth as that undertaken in the EIS process.

The objectives for the project were detailed in both the EIS and SEIS. Additionally, the RTA prepared and exhibited a representations report and a preferred activity report.<sup>398</sup> The Committee has also acknowledged that a sophisticated and technologically superior tunnel was delivered with less construction impacts, following these processes.<sup>399</sup>

### **Strategic Planning**

The Committee ignored evidence it received, and put into the body of its report, about the Government's strategic planning work including the recently released Metropolitan Strategy, the State Infrastructure Strategic Plan, including the current work being undertaken to update it, and the role of the new Infrastructure Implementation Group.<sup>400</sup>

### **Negotiation of contracts and project tendering methodology**

In relation to the information available to the community concerning road changes, the report does not include evidence about the public display and advertising of the approved project through the SEIS and the Preferred Activity Report.<sup>401</sup>

In paragraph 5.130, a proper explanation of the effect on the Cross City Motorway revenues has not been provided. The Report's comment on the change in toll revenues of \$308,199 as a result of the 15 cent change in the toll does not recognise this amount includes the impact of inflation over a 30 year period.

The amount has a net present value of \$39.4 million. To provide a simple example, the cost of a house over a 30 year period would also increase considerably as a result of inflation.

### **Business Consideration Fee**

The report has noted the RTA provided a detailed breakdown of the Business Consideration Fee which showed it had been used entirely for cost recovery, but still recommends that "any policy" of charging a "right to operate fee" as part of a business consideration fee be discontinued. There is no Government policy of charging a right to operate fee.

<sup>397</sup> Mr Les Wielinga, Director, Motorways, RTA, Evidence, 6 December 2005, p 11

<sup>398</sup> Mr Les Wielinga, Director, Motorways, RTA, Evidence, 6 December 2005, p 11

<sup>399</sup> First Report par 4.22

<sup>400</sup> See First Report pars 4.54 and 4.55

<sup>401</sup> Mr Les Wielinga, Director, Motorways, RTA, Evidence, 2 February 2006, p 38 to 39

**Community Consultation**

Recommendation 13 incorrectly states that the closure of Bourke Street ends on 28 February 2006. As required under the planning approval, the Bourke Street closure is being reviewed. Given the strength of opposing community views that the Committee heard on Bourke Street, the Government members are surprised at this recommendation.

**Public control over the road network**

The speculation in paragraph 7.1 of the Report that any road changes were made at the request of the Cross City Motorway company is refuted. The changes to the road network were all decided as part of the EIS, SEIS and planning approval process before the private sector was invited to bid on the project.

**Recommendation 14**

The Government members are surprised the Committee has recommended immediate road changes when it is not in a position to fully understand all possible adverse effects, eg, on local residents who sought road changes during community consultation to prevent rat runs through their local streets. The Committee is not in a position to be able to identify possible liability to the Government and, ultimately the taxpayers of NSW that might be created should the Cross City Motorway company chose to activate the material adverse effect clauses of the contract.