

Select Committee on the Planning Process in Newcastle and
the Broader Hunter Region

The planning process in Newcastle and the broader Hunter region

Interim report

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Terms of reference

1. That a select committee be established to inquire into and report on aspects of the planning process in Newcastle and the broader Hunter Region.
2. The committee is to consider the role of the Department of Planning and Infrastructure, Newcastle City Council, UrbanGrowth NSW, Lake Macquarie Council, and the Hunter Development Corporation in the consideration and assessment of:
 - (a) State Environmental Planning Policy (SEPP) Amendment (Newcastle City Centre) 2014
 - (b) the Newcastle Urban Renewal Strategy
 - (c) the Whitebridge development plan in Lake Macquarie
 - (d) DA 2014/323 – Newcastle East End Development
 - (e) the decision to terminate the Newcastle rail line at Wickham and any proposal to construct light rail including along Hunter and Scott Streets, and
 - (f) any related matters.
3. That the committee report by 5 March 2015.

These terms of reference were referred to the Committee by the Legislative Council on 16 September 2014.¹

¹ *Minutes*, Legislative Council, 16 September 2014, p 73.

Committee membership

Revd the Hon Fred Nile MLC	Christian Democratic Party	<i>Chair</i>
Mr David Shoebridge MLC	The Greens	<i>Deputy Chair</i>
The Hon Catherine Cusack MLC	Liberal Party	
The Hon Greg Donnelly MLC	Australian Labor Party	
The Hon Greg Pearce MLC	Liberal Party	
The Hon Lynda Voltz MLC	Australian Labor Party	

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Chair's foreword

I am pleased to present the interim report of the Select Committee on the Planning Process in Newcastle and the Broader Hunter Region. This committee has issued this early report due to the NSW Government's decision to truncate the electric railway during the Christmas holidays on Boxing Day 2014.

This report focuses on the proposals to truncate the Newcastle heavy rail line at Wickham and construct light rail to the Newcastle city centre. Both proposals have generated significant debate within the community.

The committee is concerned that the decision to truncate the rail line was based upon a flawed cost benefit analysis, and that no other business case on the truncation has been made available. We are also deeply concerned that the decision to construct the light rail was made without full consideration of alternative options, and that both decisions appear to have been made without adequate consideration of the concerns expressed by much of the community.

We do not believe that the truncation of the heavy rail line should proceed as currently planned. We have recommended that no steps be taken to remove rail infrastructure until there is a peer-reviewed report that has thoroughly considered the economic, social and environmental costs and benefits of the alternative options of removing and retaining the existing rail line. Such options could include sinking the rail line, constructing additional overbridges and/or level crossings, landscaping the existing rail corridor and reducing train speeds.

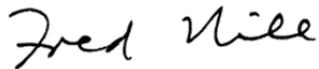
The committee is perplexed by the NSW Government's decision to truncate the heavy rail line at Wickham on Boxing Day, given that the construction of the light rail is not expected to commence until late 2015 and there is no defined completion date. We are especially concerned that the interim transport measures will be an inferior public transport solution for the people of Newcastle and the broader Hunter.

We have therefore recommended that, if the truncation of the heavy rail line does proceed, the NSW Government postpone the date of truncation until construction of the light rail service commences.

There has been widespread scepticism about the future use of the rail corridor should the government proceed with its plans to truncate the rail line. The committee has therefore recommended that, if the truncation proceeds, it is vital that any development on the corridor be low scale development associated with community, recreational and public uses only. Any proposed development should be subject to a transparent planning process, under the control and direction of Newcastle City Council, and involve ample opportunity for public consultation.

The committee will produce a final report examining the remaining issues identified in the inquiry terms of reference by 27 February 2015.

I would like to extend my sincere thanks to all those who have participated in the inquiry. I would also like to thank my fellow committee members for their rigorous approach to this inquiry. Finally, I would like to thank Teresa McMichael, Cathryn Cummins, Rhia Victorino, Emma Wood and Emma Rogerson of the committee secretariat for their hard work and professionalism.

A handwritten signature in black ink that reads "Fred Nile". The signature is written in a cursive, slightly slanted style.

Revd the Hon Fred Nile MLC
Committee Chairman

Summary of recommendations

- Recommendation 1** **59**
That the NSW Government provide all of the documents listed in the order for papers relating to planning in Newcastle and the Hunter, dated 23 October 2014, by 31 January 2015, as requested by the committee.
- Recommendation 2** **65**
That no steps be taken to remove Newcastle's existing rail infrastructure until a peer-reviewed report is obtained by the NSW Government that thoroughly considers the economic, social and environmental costs and benefits of the alternative options of removing and retaining the existing rail line.
- Recommendation 3** **65**
That in undertaking the cost benefit analysis in Recommendation 2, the NSW Government consider a series of alternative options to the removal of the rail line including sinking the rail line, constructing additional overbridges and/or level crossings, landscaping the existing rail corridor and reducing train speeds.
- Recommendation 4** **72**
That the NSW Government not proceed with the proposed Hunter Street light rail route unless and until supported by a peer-reviewed cost benefit analysis that thoroughly considers not only the retention of the existing rail line but also the provision of light rail on the existing rail corridor.
- Recommendation 5** **76**
That, if the truncation of the Newcastle heavy rail line proceeds, the NSW Government postpone the date of truncation until construction of the light rail service commences.
- Recommendation 6** **83**
That, if the truncation of the Newcastle heavy rail line proceeds, the NSW Government ensure that the unused portion of the rail corridor be used only for low scale development associated with community, recreational and public uses.
- Recommendation 7** **83**
That, if the truncation of the Newcastle heavy rail line proceeds, the NSW Government ensure that any proposed development on the unused portion of the rail corridor be subject to a transparent planning process, under the control and direction of Newcastle City Council, that involves ample opportunity for public consultation.
- Recommendation 8** **102**
That the NSW Department of Planning and Infrastructure ensure that the conflicts of interest held by the General Manager of Hunter Development Corporation, Mr Robert Hawes, are consistently managed in accordance with the NSW Planning and Infrastructure Conflicts of Interest Policy and Guidelines 2011.

Chapter 1 Introduction

This chapter provides an overview of the establishment of the committee and its terms of reference. It also outlines the conduct of the inquiry and the structure of this interim report.

This is an interim report delivered by the committee in the shadow of the NSW Government's ill-considered plan to remove heavy rail from the centre of this state's second city. This report identifies the lack of any coherent economic, social or environmental case for the removal of the heavy rail line and is forwarded to both the government and the people of Newcastle and broader Hunter region as a considered attempt to closely and carefully review the evidence in relation to the project. Our conclusion is clear, the rail line should remain.

There is no cogent argument available to support the removal of heavy rail in Newcastle, while in almost every other major city in the country governments are investigating the delivery of more and improved heavy rail as essential transport infrastructure of the 21st century.

Establishment of the inquiry

- 1.1 On 16 September 2014 a motion was passed in the Legislative Council for the establishment of the Select Committee on the Planning Process in Newcastle and the Broader Hunter Region.²
- 1.2 The committee is comprised of six members as set out on page v. The resolution establishing the committee nominated Revd the Hon Fred Nile MLC as the Chairman of the committee.

Terms of reference

- 1.3 The committee was established to inquire into and report on various issues relating to the planning process in Newcastle and the broader Hunter region. This includes the role of the Department of Planning and Infrastructure, Newcastle City Council, UrbanGrowth NSW, Lake Macquarie Council, and the Hunter Development Corporation in the consideration and assessment of the:
 - State Environment Planning Policy Amendment (Newcastle City Centre) 2014
 - Newcastle Urban Renewal Strategy
 - Whitebridge development plan in Lake Macquarie
 - Newcastle East End development
 - the decision to terminate the Newcastle rail line at Wickham and any proposal to construct light rail.
- 1.4 The full terms of reference are set out on page iv.

² *Minutes*, NSW Legislative Council, 16 September 2014, pp 74-76.

Conduct of the inquiry

Submissions

- 1.5 The committee invited submissions through advertisements in the *Newcastle Herald*, *Sydney Morning Herald*, *The Daily Telegraph* and *Maitland Mercury*. The committee also wrote to a number of key stakeholders inviting them to make a submission.
- 1.6 The committee received 377 submissions and 20 supplementary submissions.
- 1.7 A full list of submissions can be found in Appendix 1.

Right of replies

- 1.8 A number of submissions to the inquiry adversely named individuals or organisations involved in the projects identified in the terms of reference. The committee resolved that those individuals or organisations adversely named be provided with an opportunity to respond to these comments either in writing or by giving evidence.
- 1.9 Those individuals or organisations that availed themselves of this opportunity did so in writing. These responses of individuals that requested their correspondence to be published are available on the committee's website.

Public hearings

- 1.10 The committee held three public hearings over the duration of the inquiry: two hearings in Newcastle and one at Parliament House. A range of witnesses appeared at these hearings, including the Department of Planning and Infrastructure, Newcastle City Council, UrbanGrowth NSW, Lake Macquarie Council and the Hunter Development Corporation. A number of community organisations and individuals also gave evidence.
- 1.11 The committee invited Transport for NSW to appear as a witness, however, the department declined the invitation.³ The committee subsequently sent written questions on notice to the department which provided answers.⁴
- 1.12 A list of witnesses who appeared at the hearings can be found in Appendix 2. A list of the documents tabled at these hearings can be found in Appendix 4 and a list of the answers provided to questions on notice is at Appendix 5.
- 1.13 Transcripts of the hearings are available on the committee's website.

³ Correspondence from Mr Dave Stewart, Secretary, Transport for NSW, to secretariat, 6 November 2014.

⁴ Answers to questions on notice, Mr Dave Stewart, Secretary, Transport for NSW, 3 December 2014.

Public forum

- 1.14** The committee held a public forum at Newcastle City Hall on Friday 21 November 2014 at which community members expressed their views on a range of issues.
- 1.15** A list of forum speakers can be found at Appendix 3. The transcript of proceedings is available on the committee's website.

Site visit

- 1.16** On Friday 7 November 2014 the committee conducted a site visit of the Wickham interchange, the proposed light rail route and the East End and city development sites.
- 1.17** The committee was accompanied by Mr Brendan O'Brien, Executive Director Infrastructure, Housing and Employment, Department of Planning and Environment, and Mr Bob Hawes, General Manager, Hunter Development Corporation.
- 1.18** The committee would like to thank all participants to this inquiry. The considered contributions of participants have greatly assisted the committee in successfully undertaking this inquiry.

Purpose of interim report

- 1.19** On 3 July 2014, the Minister for Transport and Minister for the Hunter, the Hon Gladys Berejiklian MP, announced that the Newcastle rail line would be truncated from Wickham on Boxing Day 2014.⁵
- 1.20** Transport for NSW advised that construction on the light rail replacement is expected to commence in late 2015, however, no completion date has been proposed.⁶
- 1.21** Given the timeframe of the Boxing Day truncation, the committee resolved to table an interim report for this inquiry by 19 December 2014.⁷ The purpose of this interim report is to address issues relating to the rail truncation and the proposal to develop light rail into the Newcastle city centre in the future.
- 1.22** A final report examining the remaining issues identified in the inquiry terms of reference will be tabled by 27 February 2015.

⁵ Media release, Hon Gladys Berejiklian MP, Minister for Transport and Minister for the Hunter, 'Revitalisation of Newcastle CBD underway with truncation to begin on Boxing Day', 3 July 2014.

⁶ Answers to questions on notice, Transport for NSW, p 1.

⁷ Select Committee on the Planning Process in Newcastle and the Broader Hunter Region, NSW Legislative Council, *Minutes No. 5*, 12 November 2014, Item 6.

Report structure

- 1.23** The next chapter, **chapter 2**, outlines the key agencies involved in the decision to terminate the Newcastle rail line at Wickham and construct light rail into the Newcastle city centre. It also details the key events relating to these proposals.
- 1.24** The impact of the rail line on the urban renewal of Newcastle is explored in **chapter 3**.
- 1.25** **Chapter 4** discusses the concerns of inquiry participants regarding the proposal to truncate the rail line.
- 1.26** The light rail and Wickham Interchange proposals are examined in **chapter 5**.
- 1.27** **Chapter 6** explores community perceptions of the influence of property developers on the decision to truncate the rail line.

Chapter 2 Key agencies and events

This chapter provides background information on the decision to truncate the Newcastle heavy rail line at Wickham and the proposal to construct a light rail line into the Newcastle city centre. The chapter includes an overview of the key agencies involved, together with an outline of the key events relating to these proposals.

Key agencies

- 2.1** A number of key government agencies have played a role in the development and implementation of the plan to terminate the rail line at Wickham and construct light rail to the Newcastle city centre. These agencies and their roles are outlined below.

Transport for NSW

- 2.2** Transport for NSW is responsible for the coordination, funding allocation, policy and planning and other delivery functions for the transport system. Transport for NSW develops regulations, policies and legislation to ensure that transport is delivered effectively and safely.⁸
- 2.3** Transport for NSW manages funding for rail and light rail services and related infrastructure. It also manages funding for buses, roads, ferries and community transport services.⁹
- 2.4** Transport for NSW is the lead government agency for both the construction of the transport interchange at Wickham and the design of the light rail.¹⁰

Department of Planning and Environment

- 2.5** The Department of Planning and Environment is responsible for effective and sustainable planning to support the growth challenge for New South Wales. It makes plans, assesses proposals and develops policy based on evidence.¹¹
- 2.6** The department is the lead agency in preparing and implementing the Newcastle Urban Renewal Strategy, which contains provisions for the truncation of the rail line. The department is also responsible for the relevant State Environmental Planning Policy (SEPP) and Development Control Plan (DCP).¹²

Hunter Development Corporation

- 2.7** The Hunter Development Corporation is part of the Department of Planning and Environment. The corporation works with the department, local government, UrbanGrowth

⁸ Transport for NSW, *Annual Report 2013-14*, p 7.

⁹ Transport for NSW, *Annual Report 2013-14*, p 7.

¹⁰ Submission 253, NSW Government, p 16.

¹¹ NSW Department of Planning and Environment, *Annual Report 2013-14*, p 6.

¹² Submission 253, NSW Government, p 16.

NSW, Regional Development Australia Hunter and other government agencies and stakeholders to pursue opportunities for economic growth in the Hunter.¹³

2.8 In regard to the Newcastle rail line truncation and construction of light rail, the Hunter Development Corporation:

- undertook studies on behalf of the NSW Government into options for the revitalisation of Newcastle, with the truncation of the heavy rail line being one of the recommendations made
- conducted community and stakeholder engagement that informed recommendations to the NSW Government, including on the proposed transport interchange at Wickham
- administered the Co-ordination and Delivery Group and subsequent committees and consultation processes relating to the proposed Wickham interchange and the integrated transport strategy for the Newcastle city centre.¹⁴

UrbanGrowth NSW

2.9 UrbanGrowth NSW is a state-owned corporation operating under the *Landcom Corporation Act 2001* and reporting to the Minister for Planning. It is the state's lead organisation responsible for urban transformation, aiming to:

- drive increases in the supply of housing and jobs
- strengthen the New South Wales economy by delivering centres that attract investment and boost productivity
- optimise public investment in infrastructure through integrating land use and transport planning
- operate on a commercially astute basis, seeking a fair return for taxpayers
- promote public sector innovation through collaborating across government, the private sector and the community.¹⁵

2.10 In December 2013 UrbanGrowth NSW was appointed to lead the Newcastle Urban Renewal and Transport Program, in close collaboration with Transport for NSW, the Department of Planning and Environment, Hunter Development Corporation and Newcastle City Council. The renewal program has three main components:

- truncation of the heavy rail and construction of a new transport interchange at Wickham
- introduction of a light rail system to Newcastle city centre
- implementation of a seven to ten year program for urban renewal.¹⁶

¹³ Submission 253, NSW Government, Attachment 1, p 1.

¹⁴ Submission 253, NSW Government, pp 16-17.

¹⁵ UrbanGrowth NSW, *Annual Report 2014*, p 16.

¹⁶ Submission 253, NSW Government, Attachment 2, p 2.

- 2.11** As part of its role, UrbanGrowth NSW led what is described as a ‘robust consultation process’ to assess the three proposed routes for the light rail.¹⁷ That process will be examined in chapter 4.

Key events

- 2.12** This section outlines the key events relating to the proposals to truncate the rail line at Wickham and to construct light rail. The events are discussed chronologically, commencing with the release of the Hunter Development Corporation’s Newcastle City Centre Renewal Report in 2009.¹⁸
- 2.13** A number of consultant and agency reports are discussed in this chapter together with the conclusions reached in those reports. Unless expressly stated this committee does not endorse any such conclusions which are included as necessary background to understanding the purported basis on which the government has determined to remove Newcastle’s heavy rail line.
- 2.14** The remaining chapters of this interim report examine stakeholder concerns relating to these proposals, including the consultation processes utilised and the robustness of assessment processes.

Newcastle City Centre Renewal Report

- 2.15** In March 2009, the Hunter Development Corporation released the *Newcastle City Centre Renewal: Report to NSW Government*. The report was developed in collaboration with the members of a Project Control Group that was established following a request from the then Minister for the Hunter, Ms Jodi McKay, to prepare the Renewal Report.¹⁹ The committee requested Ms McKay to appear to give evidence, however, Ms McKay declined.
- 2.16** The members of the Project Control Group included the Hunter Development Corporation, Newcastle City Council, Department of Premier and Cabinet, Department of Planning, and Ministry of Transport.²⁰
- 2.17** The report detailed a four-pronged strategy for the renewal of Newcastle, including:
- the relocation of the University of Newcastle’s faculties to the city
 - the relocation of state and federal court facilities to the Civic Precinct

¹⁷ Submission 253, NSW Government, p 17.

¹⁸ The committee notes that the proposal to cease heavy rail travelling through the Newcastle CBD has been discussed for a significant period of time. The Newcastle City Centre Renewal Report has been selected as a starting point for the purposes of this report because the Renewal Report was the first to government to formally identify Wickham as a potential location for truncation of the rail line.

¹⁹ Hunter Development Corporation, *Newcastle City Centre Renewal Report to the NSW Government*, March 2009, p 1. (Hereafter referred to as *Newcastle City Centre Renewal Report to the NSW Government*.)

²⁰ *Newcastle City Centre Renewal Report to the NSW Government*, p 1.

- an improved integrated public transport system, including a new station/terminus at Wickham
- sustained investment in the city's public domain.²¹

2.18 The report was publically exhibited for eight weeks, with submissions invited from the public.²²

2.19 The report drew on two pieces of work, both commissioned by Hunter Development Corporation: a Parsons Brinckerhoff report entitled *Newcastle CBD Integrated Transport – Identification of Preferred Transport Scheme* report and an Urbis report entitled *Newcastle CBD Strategy*.

Newcastle CBD Integrated Transport: Identification of Preferred Scheme

2.20 The Parsons Brinckerhoff report entitled *Newcastle CBD Integrated Transport: Identification of Preferred Scheme* considered two options for the future of rail services in Newcastle: one option to terminate the rail line between Wickham and Civic, and the other to terminate the rail line between Wickham and Hamilton.²³

2.21 The report recommended terminating the Newcastle rail line at Wickham on the western side of Stewart Avenue to permit ‘... unencumbered private vehicle and pedestrian movement across the rail corridor around Newcastle, Civic and Wickham, and to encourage urban renewal in the Newcastle City Centre and its waterfront’.²⁴

2.22 The Parsons Brinckerhoff report determined that a terminal on the west of Stewart Avenue (near Wickham station) would achieve the following:

- be at the gateway to the future central Newcastle
- integrate best practice into a regional passenger network of rail, bus, bicycles and pedestrians
- add road capacity to allow development
- allow the greatest cost savings in terms of rail asset and operational costs for the options considered.²⁵

2.23 In order to achieve this goal, the following action was said to be required:

- closure of existing Newcastle, Wickham and Civic stations
- closure of Newcastle Stabling yard

²¹ *Newcastle City Centre Renewal Report to the NSW Government*, p 2.

²² Submission 253, NSW Government, p 17.

²³ Parsons Brinckerhoff, prepared for the Hunter Development Corporation, *Newcastle CBD Integrated Transport Identification of Preferred Scheme*, March 2009, p 28. (Hereafter referred to as *Newcastle CBD Integrated Transport Identification of Preferred Scheme*.)

²⁴ AECOM Australia, prepared for Transport NSW, *Investigation into the Feasibility and Cost Estimate of Terminating the Newcastle Line at Wickham*, 11 November 2012, p i.

²⁵ *Newcastle CBD Integrated Transport Identification of Preferred Scheme*, p iv.

- removal of all level crossings east of, and including, Stewart Avenue
- construction of a new Wickham Station and stabling facility to compensate for loss of Newcastle Stabling
- potential land acquisition for the new terminus and stabling.²⁶

2.24 The report also concluded that the ‘rail corridor would remain a key transport asset for the future of the city’,²⁷ and suggested the following potential uses:

... short to medium term uses to form better road, bus and cycle networks; link sites with strong development potential; reinforce the Main Street functions of Hunter Street; and provide open space for travel and recreation. It could remain in public ownership, ‘banked’ for later, high value uses and available for transit operations once development patterns and urban density supported such a use.²⁸

Newcastle CBD Strategy

2.25 The Urbis report entitled *Newcastle CBD Strategy* included a cost benefit analysis of two possible transport options:

- retention of the existing rail line and construction of a new overpass over Stewart Street
- termination of the rail line west of Stewart Avenue near Wickham station.²⁹

2.26 The report found that the second option of terminating the line at Wickham west of Stewart Avenue would have ‘significant benefit’ by ‘opening up multiple north-south oriented pedestrian and vehicle corridors as well as providing direct access to the Newcastle Waterfront and better connecting the strengthening Cultural Precinct’.³⁰

2.27 The report recommended that this option be further explored.³¹

Newcastle City Centre Renewal – Transport Management and Accessibility Plan

2.28 In November 2010 the *Newcastle City Centre Renewal – Transport Management and Accessibility Plan* was released. The report was commissioned by the NSW Government and prepared by Architecture, Engineering, Construction, Operations and Management (AECOM).³²

2.29 The report was comprised of two parts – Phase 1: Newcastle City Centre Bus Strategy and Phase 2: Integrated Transport Strategy. The Phase 1 report focused on the development of a City Centre Bus Strategy which is consistent with State Plan targets, while the Phase 2 report

²⁶ AECOM Australia, prepared for Transport NSW, *Investigation into the Feasibility and Cost Estimate of Terminating the Newcastle Line at Wickham*, 11 November 2012, p i.

²⁷ *Newcastle CBD Integrated Transport Identification of Preferred Scheme*, p iv.

²⁸ *Newcastle CBD Integrated Transport Identification of Preferred Scheme*, p iv.

²⁹ Submission 253, NSW Government, p 17; Urbis, prepared for the Hunter Development Corporation, *Newcastle CBD Strategy*, March 2009, p 71. (Hereafter referred to as the Urbis report.)

³⁰ Urbis report, p 71.

³¹ Submission 253, NSW Government, p 17.

³² Transport for NSW, *Annual Report 2010-11*, p 42.

outlined an integrated package of transport improvements to support the renewal of the Newcastle city centre.³³

2.30 The Phase 2 report concluded that truncating the rail line at Wickham would remove the ‘disconnect’ between the waterfront and the city centre:

The Newcastle Branch Line forms a barrier to north-south walking movements and creates a disconnect between the Honeysuckle renewal area at the waterfront and the city centre area. Opportunities have been identified to overcome these barriers through new developments, either with the rail line truncated at Wickham or remaining in place. If the rail line were truncated, there are opportunities to connect the street network and provide a network of pedestrian connections on these new links. Other opportunities include providing better connections to the waterfront and beaches at Newcastle East to maximise the amenity these areas offer to the city centre.³⁴

2.31 Both reports noted that its recommendations could be implemented either with or without truncation of the rail line and construction of a new transport interchange at Wickham.³⁵

Feasibility study for a Wickham terminus

2.32 As noted at paragraph 2.23, the Parsons Brinckerhoff report recommended that the Newcastle rail line be terminated on the western side of Stewart Avenue to encourage urban renewal in the Newcastle City Centre and its waterfront.

2.33 In late 2009, RailCorp commenced a detailed feasibility study for a Wickham terminus for a truncated rail line. This study assessed operational issues associated with the truncation, considered locations for train stabling, produced indicative costs and undertook transport and precinct planning for a new Wickham Station.³⁶ In February 2010, AECOM was appointed by Transport for NSW to develop a Transport Management and Accessibility Plan for the Newcastle city centre.³⁷

2.34 The feasibility study:

- concluded that it was feasible from an engineering and train operations perspective to terminate the Newcastle line to the west of Stewart Avenue
- identified and developed a preferred pre-concept design for rail infrastructure and a new Wickham station

³³ AECOM Australia, prepared for Transport NSW, *Newcastle City Centre Renewal – Transport Management and Accessibility Plan*, 22 October 2010, *Phase 1: Newcastle City Centre Bus Strategy*, p 2; AECOM Australia, prepared for Transport NSW, *Newcastle City Centre Renewal – Transport Management and Accessibility Plan*, 22 October 2010, *Phase 2: Integrated Transport Strategy*, p 4. (Hereafter referred to as AECOM Australia, *Phase 2: Integrated Transport Strategy*.)

³⁴ *Phase 2: Integrated Transport Strategy*, p i.

³⁵ AECOM Australia, prepared for Transport NSW, *Newcastle City Centre Renewal – Transport Management and Accessibility Plan*, 22 October 2010, *Phase 1: Newcastle City Centre Bus Strategy*, p 69; AECOM Australia, *Phase 2: Integrated Transport Strategy*, p i.

³⁶ AECOM Australia, *Phase 2: Integrated Transport Strategy*, p 3.

³⁷ AECOM Australia, *Phase 2: Integrated Transport Strategy*, p 3.

- determined that the preferred stabling location could not be at Wickham, with a more suitable site identified at Hamilton Civils and Signalling Renewal Yard
- identified that all four railway level crossings on the Newcastle branch line could be closed if this proposal were to proceed
- estimated that based on this pre-concept design, the detailed design phase could be finalised within 12 months, following business case approval, site studies, land acquisition, planning approval and subject to rail resource availability
- estimated that the construction of the new rail infrastructure, removal of existing stations and assets from the east of Stewart Avenue, and construction of the new station could be completed within 20 months
- determined that construction would need to be carried out employing a mixture of 'brownfield' working in possessions, and 'greenfield' working during closedown of the branch line of approximately six months
- developed an estimate of the costs associated with the design and construction of the new stabling facility and rail systems, removal of the rail systems and stations to the east of the proposed new Wickham Station, and the design and construction of the new station at Wickham, based on the preferred Pre-Concept Design.³⁸

2.35 The total estimated cost for the project, based on Newcastle land values at the time of the report's preparation, was in the range of \$374.5 to \$504.5 million.³⁹

Announcement of rail truncation and release of Newcastle Urban Renewal Strategy

2.36 On 14 December 2012, the then Minister for Planning, the Hon Brad Hazzard MP, announced that the Newcastle rail line would be terminated at Wickham.⁴⁰

2.37 The project included eight new crossings, a transport interchange at Wickham and increased bus services coordinated with the trains. The NSW Government further stated that the rail corridor would remain as public space,⁴¹ with the actual lines remaining to allow the possibility of light rail.⁴²

³⁸ AECOM Australia, prepared for Transport NSW, *Investigation into the Feasibility and Cost Estimate of Terminating the Newcastle Line at Wickham*, 11 November 2010, pp i-ii.

³⁹ AECOM Australia, prepared for Transport NSW, *Investigation into the Feasibility and Cost Estimate of Terminating the Newcastle Line at Wickham*, 11 November 2010, p ii.

⁴⁰ Media release, Hon Brad Hazzard MP, Minister for Planning & Infrastructure and Minister assisting the Premier on Infrastructure NSW, 'New jobs and homes for Newcastle', 14 December 2012; and Jeannette McMahon, ABC Newcastle, *The deepest cut ... Newcastle's rail line to go*, 14 December 2012, <<http://www.abc.net.au/local/stories/2012/12/14/3654563.htm>>.

⁴¹ Media release, Hon Brad Hazzard MP, Minister for Planning & Infrastructure and Minister assisting the Premier on Infrastructure NSW, 'New jobs and homes for Newcastle', 14 December 2012.

⁴² Jeannette McMahon, ABC Newcastle, *The deepest cut ... Newcastle's rail line to go*, 14 December 2012, <<http://www.abc.net.au/local/stories/2012/12/14/3654563.htm>>.

2.38 The announcement was made in conjunction with the release of the Newcastle Urban Renewal Strategy.⁴³ The strategy incorporated a number of initiatives to drive urban renewal and growth in Newcastle, including:

- re-establish Hunter Street as Newcastle's main street and revitalise the Hunter Street Mall and the East End to encourage a boutique retail, entertainment, leisure and residential precinct
- position the West End for long-term growth
- create a university presence and educational hub at Civic
- connect the city with its waterfront and improve access to and within the city centre
- recognise Newcastle's heritage as an asset
- support greater use of public transport and create a connected walking and cycling network
- improve the efficiency of the road network and manage car parking.⁴⁴

2.39 Public feedback on the proposed strategy was invited until 17 March 2013.⁴⁵ Despite the centrality of the removal of the rail line to the Newcastle Urban Renewal Strategy, no submissions were sought on the government's decision to remove the rail line.

Long Term Transport Master Plan

2.40 The NSW Long Term Transport Master Plan was released in December 2012. The Master Plan identified:

- the challenges that the transport system in New South Wales needs to address over the next 20 years
- a planned and coordinated set of actions, including reforms, service improvements and investment to address those challenges.⁴⁶

2.41 Following the release of the master plan, a regional forum was held in Newcastle on 13 April 2013 to discuss the implications for Newcastle and the broader Hunter. The rail truncation issue was raised during this consultation process.⁴⁷

Announcement of light rail

2.42 In June 2013, the then Treasurer, the Hon Mike Baird MP, announced in the State Budget 2013/14 that the NSW Government intended to proceed to a long-term lease of the Port of

⁴³ Submission 253, NSW Government, p 17.

⁴⁴ NSW Department of Planning and Environment, *Revitalising Newcastle – Newcastle Urban Renewal Strategy*, 22 October 2014, <<http://www.planning.nsw.gov.au/revitalisingnewcastle>>.

⁴⁵ Media release, Hon Brad Hazzard MP, Minister for Planning & Infrastructure and Minister assisting the Premier on Infrastructure NSW, 'New jobs and homes for Newcastle', 14 December 2012.

⁴⁶ Transport for NSW, *NSW Long Term Transport Master Plan*, December 2012, p 9.

⁴⁷ Submission 253, NSW Government, p 17.

Newcastle. In the event that the port transaction was successful, \$340 million of the proceeds would be directed towards the revitalisation of Newcastle.⁴⁸

2.43 The Treasurer outlined that this would include investment in the construction of light rail in the Newcastle CBD, and potentially linking to surrounding suburbs, stating:

The removal of the railway line between Wickham and Newcastle, as previously announced, will renew Hunter Street and return the city's harbour to the embrace of its people. Today I can announce the heavy rail service will be replaced by light rail. Subject to the completion of a business case, this will form the beginning of a light rail service linking the Newcastle CBD with surrounding suburbs.⁴⁹

2.44 In response to a question from the committee regarding the cost of the proposed light rail, Transport for NSW advised that \$460 million has been allocated to the Newcastle Urban Renewal and Transport Program (outlined at paragraph 2.10). The portion of that amount that has been allocated to the light rail was not specified.⁵⁰ No factual basis has been provided to support this allocation or budget as sufficient or appropriate to the task.

Confirmation of Wickham rail truncation

2.45 In December 2013, the government confirmed Wickham as the preferred location for the truncation of the rail line and the location of a new transport interchange.⁵¹

2.46 The NSW Government submission advised that eight possible locations were initially assessed utilising a Strategic Merit Test that considered the key project objectives of urban revitalisation, transport solution and cost and delivery.⁵²

2.47 This initial assessment resulted in a shortlist of locations that were further assessed using an evidence-based multi-criteria analysis. The shortlist consisted of:

- Wickham, west of Stewart Avenue
- Hamilton, east of Beaumont Street
- Broadmeadow, east of the rail corridor and west of Graham Road
- Wickham and Hamilton east of Beaumont Street.⁵³

2.48 The government advised that Wickham, west of Stewart Avenue, achieved the highest scores for each category for the following reasons:

⁴⁸ Hon Mike Baird MP, Treasurer, and Minister for Industrial Relations, NSW Budget Paper No. 1 – Budget Speech 2013-14, 18 June 2013, p 16, <http://www.treasury.nsw.gov.au/__data/assets/pdf_file/0019/25192/BP1_Budget_Speech.pdf>.

⁴⁹ Hon Mike Baird MP, Treasurer, and Minister for Industrial Relations, NSW Budget Paper No. 1 – Budget Speech 2013-14, 18 June 2013, p 16, <http://www.treasury.nsw.gov.au/__data/assets/pdf_file/0019/25192/BP1_Budget_Speech.pdf>.

⁵⁰ Answers to questions on notice, Transport for NSW, 3 December 2014, p 1.

⁵¹ Submission 253, NSW Government, p 18.

⁵² Submission 253, NSW Government, p 18.

⁵³ Submission 253, NSW Government, p 18.

- Wickham is within the future western CBD of Newcastle city centre, and is aligned with the Newcastle Urban Renewal Strategy
- it is close to the Honeysuckle business, education and entertainment precinct
- it supports the best customer experience with all trains from the Hunter Line and the Sydney and Central Coast line terminating at a common location
- the heavy rail terminus and the light rail line between Wickham and Newcastle would be delivered for the lowest overall capital cost compared to alternative truncation locations.
- it provides flexibility for further extensions to create a wider light rail network connecting to Hunter Stadium and Broadmeadow via wide road corridors.⁵⁴

Consultation on alternative light rail routes

2.49 In December 2013, Transport for NSW announced that it would undertake community consultation sessions in early 2014 to receive feedback on the three alternative routes proposed for the light rail.

2.50 The three proposed routes were:

- alignment with the existing heavy rail corridor
- alignment with Hunter Street
- a hybrid alignment, utilising part of the rail corridor and Hunter and Scott Streets.⁵⁵

2.51 The figure below shows each of the proposed routes.

Figure 1 Alternative light rail routes



2.52 A five week consultation period was held in February and March 2014. During this period, over 1,000 submissions were received and approximately 300 community members attended information and feedback sessions. Briefings were also held with local councils, businesses, and industry and community groups.⁵⁶

⁵⁴ Submission 253, NSW Government, p 18.

⁵⁵ Submission 253, NSW Government, p 19; Submission 253, NSW Government, Attachment 2, p 3.

⁵⁶ Submission 253, NSW Government, Attachment 2, p 3.

2.53 Concerns with the consultation process are discussed in chapter 4.

Lease of Port of Newcastle

2.54 In April 2014 the NSW Government announced the successful lease of the Port of Newcastle for \$1.7 billion. As noted at paragraph 2.42, \$340 million of this transaction was allocated to the revitalisation of Newcastle and the construction of light rail.⁵⁷

Hunter Regional Transport Plan

2.55 Also in April 2014, the Hunter Regional Transport Plan was released. The plan built on the NSW Long Term Transport Master Plan which was released in 2012, and outlined specific actions to address transport needs in the Hunter.

2.56 The regional plan included detail on the truncation of the rail line at Wickham, the construction of a transport interchange at Wickham and the delivery of light rail in the centre of Newcastle. No date for the commencement or completion of the light rail was provided.

2.57 The Wickham interchange was described as being a ‘fully-accessible interchange’ that would encourage greater use of public transport through having ‘all bus, heavy rail, light rail and taxi services located on one level for easy customer interchanges’.⁵⁸ The plan further indicated that the Wickham site had been selected as it provided the ‘greatest potential’ for the urban revitalisation of the Newcastle CBD as the site offered ‘eleven hectares of unfragmented land located within 400 metres of the interchange’.⁵⁹

2.58 The proposed high frequency light rail was described as serving to improve connections between key destinations in the city centre and the beach:

Light rail in Newcastle will support the city’s renewal – improving connections between the city centre and the waterfront with up to 11 new road and pedestrian crossings to the foreshore, increasing public transport choice and connecting people to Newcastle’s pristine beaches. Starting at the Wickham transport interchange, light rail services can be provided at a high frequency – all day, at least every 10 minutes. Light rail stops will provide access to key city centre destinations including the Honeysuckle and Civic precincts, Queens Wharf, Hunter Street Mall and Newcastle Beach.⁶⁰

2.59 The regional plan noted that the light rail network would be designed with a view to future expansion, including light rail connections to destinations such as Hunter Stadium, the University of Newcastle at Callaghan, John Hunter Hospital, Mater Hospital and Newcastle Airport.⁶¹

⁵⁷ Submission 253, NSW Government, p 19.

⁵⁸ Transport for NSW, *Hunter Regional Transport Plan*, March 2014, p 47.

⁵⁹ Transport for NSW, *Hunter Regional Transport Plan*, March 2014, p 47.

⁶⁰ Transport for NSW, *Hunter Regional Transport Plan*, March 2014, p 47.

⁶¹ Transport for NSW, *Hunter Regional Transport Plan*, March 2014, p 47.

Selection of light rail route

- 2.60** On 23 May 2014, the NSW Government announced that the hybrid light rail route option, utilising part of the existing rail corridor and Hunter and Scott Streets, had been selected as providing the ‘best opportunity to deliver a balance between urban renewal outcomes, transport efficiencies and capital cost constraints’.⁶²
- 2.61** The government advised that a multi-criteria assessment was used to reach this decision, based on the following criteria:
- ease of community access
 - traffic network improvements
 - urban redevelopment
 - patronage potential
 - customer journey time
 - impacts during construction
 - indicative capital cost and constructability
 - property acquisition
 - environmental and heritage impacts
 - planning for future network expansion.⁶³

Date for cessation of rail services

- 2.62** On 3 July 2014, the Minister for Transport and Minister for the Hunter, the Hon Gladys Berejiklian MP, announced that trains would cease operating beyond Wickham from Boxing Day 2014.⁶⁴
- 2.63** The Minister advised that the following actions would occur from Boxing Day 2014:
- between 26 December 2014 and 4 January 2015, all Newcastle trains will terminate at Broadmeadow to allow improvements to be made to Hamilton Station
 - from 5 January 2015 trains will terminate at Hamilton and Broadmeadow
 - frequent shuttle buses will connect both Broadmeadow and Hamilton stations with Newcastle
 - the new transport interchange at Wickham will be completed at the end of 2016 and trains will then start and finish at the new interchange

⁶² Media release, Hon Pru Goward MP, Minister for Planning and Minister for Woman; and Hon Gladys Berejiklian MP, Minister for Transport and Minister for the Hunter, ‘Newcastle light rail route announced’, 23 May 2014; and Submission 253, NSW Government, Attachment 2, p 3.

⁶³ Submission 253, NSW Government, p 19.

⁶⁴ Media release, Hon Gladys Berejiklian MP, Minister for Transport and Minister for the Hunter, ‘Revitalisation of Newcastle CBD underway with truncation to begin on Boxing Day’, 3 July 2014.

- customers will be able to catch buses between the new transport interchange and the beach until light rail services start.⁶⁵

Review of Environmental Factors for the Wickham Transport Interchange

- 2.64** On 30 July 2014 Minister Berejiklian announced that a Review of Environmental Factors of the proposed Wickham Transport Interchange had been prepared.⁶⁶
- 2.65** The review was on display for public comment from 30 July until 30 August, 2014. Five public information sessions in Newcastle and Maitland were held on the review, with advertisements in local media, community newsletters, posters at Newcastle train stations and letters sent to key stakeholders providing information and offering briefings.⁶⁷
- 2.66** The Transport for NSW website indicates that the interchange will include the following features:
- fully accessible platforms and concourse
 - provision for future Light Rail
 - ‘kiss and ride’ and taxi bays
 - integrated security system, including CCTV
 - Opal electronic ticketing systems
 - modern wayfinding and signage systems.⁶⁸
- 2.67** The figures on the following page show an initial artist’s impression of the proposed interchange.

⁶⁵ Media release, Hon Gladys Berejiklian MP, Minister for Transport and Minister for the Hunter, ‘Revitalisation of Newcastle CBD underway with truncation to begin on Boxing Day’, 3 July 2014, p 2.

⁶⁶ NSW Government, Revitalising Newcastle, Wickham Transport Interchange <<http://revitalisingnewcastle.com.au/projects/wickham-transport-interchange.aspx>>.

⁶⁷ Submission 253, NSW Government, p 20.

⁶⁸ Transport for NSW, *Wickham Transport Interchange – Key features*, 20 November 2014 <<http://www.transport.nsw.gov.au/projects-wickham-transport-interchange>>.

Figure 2 Artist impression of the proposed Wickham Transport Interchange⁶⁹



Establishment of parliamentary inquiry

- 2.68** As noted in chapter 1, this committee and inquiry was established on 12 September 2014. Amongst other issues, the terms of reference for the inquiry require that the committee examine the decision to terminate the Newcastle rail line at Wickham and any proposal to construct light rail.
- 2.69** Much of the evidence received by the committee questioned the appropriateness of terminating the rail line from Boxing Day 2014. Chapter 3 contains detailed discussion of these concerns.

⁶⁹ Transport for NSW, Revitalising Newcastle, *Wickham Transport Interchange, Review of Environmental Factors – Summary*, July 2014, p 1.

- 2.70** In response to these concerns, the committee resolved to support the Committee Chairman writing to the Premier, the Hon Mike Baird MP, to seek advice regarding the urgency for truncating the rail line on Boxing Day 2014, and the cost of delaying the truncation until after the committee tabled its final report in February 2015.⁷⁰
- 2.71** The Premier advised that a ‘significant amount of planning and preparation has been undertaken to ensure the truncation can start on this date with minimal disturbance’.⁷¹ These measures include:
- finalising the detailed and complex train timetabling and scheduling
 - agreeing to the rail line possession rescheduling
 - preparing the relocation of rail staff
 - signing bus contracts
 - calling for tenders for the design and construction of the Wickham Interchange
 - informing customers of the forthcoming changes via a communications campaign
 - early works are currently underway to prepare for the truncation, including a contractor engaged and handling of goods.⁷²
- 2.72** The Premier indicated that any delay in the truncation beyond 26 December 2014 would cost an estimated minimum of \$220,000 per week.⁷³ The estimated cost is due to staffing costs, renting of facilities, machinery and equipment, rescheduling rail possessions, customer information materials and project team costs.⁷⁴
- 2.73** The Premier concluded that ‘[i]n light of these matters, the NSW Government will keep to its announced schedule’.⁷⁵

Planning approval for Wickham Transport Interchange

- 2.74** On 14 November 2014, Minister Berejiklian announced that the Wickham Transport Interchange had received planning approval.⁷⁶
- 2.75** This approval followed the consultation period that commenced with the release of the Review of Environmental Factors (see paragraph 2.64). Approximately 200 submissions were

⁷⁰ Correspondence from the Chairman to the Hon Mike Baird MP, Premier, Minister for Western Sydney and Minister for Infrastructure, 14 November 2014.

⁷¹ Correspondence from the Hon Mike Baird MP, Premier, Minister for Western Sydney and Minister for Infrastructure, to Chairman, 20 November 2014, p 1.

⁷² Correspondence from the Hon Baird MP, to Chairman, 20 November 2014, p 1.

⁷³ Correspondence from the Hon Baird MP, to Chairman, 20 November 2014, p 2.

⁷⁴ Answers to questions on notice, Mr Dave Stewart, Secretary, Transport for NSW, 3 December 2014, p 1.

⁷⁵ Correspondence from the Hon Baird MP, to Chairman, 20 November 2014, p 2.

⁷⁶ Media release, Hon Gladys Berejiklian MP, Minister for Transport and Minister for the Hunter, ‘Revitalisation of Newcastle CBD continues as Wickham Interchange gets the green light’, 14 November 2014.

received during the consultation period, with one of the key pieces of feedback being around the suitability of the design of the interchange.⁷⁷

- 2.76** Minister Berejiklian outlined details of the work that had commenced to prepare for the truncation of the rail line on Boxing Day 2014, including the establishment of interim bus services that are able to transport surfboards and other luggage. The Minister further advised that geotechnical studies along the preferred light rail route in Hunter and Scott Streets were underway, and that the light rail would be subject to a separate planning approval process.⁷⁸
- 2.77** The Transport for NSW website advises that Novo Rail alliance has been engaged to undertake early works to support the truncation of the rail line on Boxing Day 2014 and the construction of the new interchange. Early works include utility relocation (gas, electricity, water, telephone and cable services), upgrades to the rail line and minor station upgrades.⁷⁹

Committee comment

- 2.78** The committee notes that the 2009 *Newcastle City Centre Renewal Report* was the first report to government to formally identify Wickham as a potential location for truncation of the rail line. We also note that the proposed construction of the light rail has been a matter of public knowledge since June 2013.
- 2.79** We further acknowledge that both of these proposals have generated significant public debate within Newcastle and the broader Hunter region.
- 2.80** The remaining chapters of this report explore in detail the concerns raised by inquiry participants regarding the urban renewal of Newcastle (chapter 3), truncation of the heavy rail line (chapter 4), the construction of light rail (chapter 5), and the influence of developer donations (chapter 6).

⁷⁷ Media release, Hon Gladys Berejiklian MP, Minister for Transport and Minister for the Hunter, 'Revitalisation of Newcastle CBD continues as Wickham Interchange gets the green light', 14 November 2014, p 1.

⁷⁸ Media release, Hon Gladys Berejiklian MP, Minister for Transport and Minister for the Hunter, 'Revitalisation of Newcastle CBD continues as Wickham Interchange gets the green light', 14 November 2014, pp 1-2.

⁷⁹ Transport for NSW, *Wickham Transport Interchange current works – early works*, 13 November 2014 <<http://www.transport.nsw.gov.au/projects-wickham-transport-interchange/current-works>>.

Chapter 3 Urban renewal and connectivity

The decision to truncate the rail line at Wickham provoked much discussion within the Newcastle and broader Hunter communities, with a split emerging between those who supported the truncation and those who were opposed. This chapter explores the views of inquiry participants in relation to two aspects of the potential impact of the truncation: firstly on the urban renewal and growth of Newcastle, and secondly on the connectivity between the city centre and the waterfront.

Urban renewal and growth

3.1 There was significant debate regarding the potential effect of the truncation of the rail line on urban renewal and growth in Newcastle. On the one hand, some participants argued that truncation would have significant positive benefits by encouraging urban renewal and growth. On the other, some participants argued that the truncation contravened the principles of the Urban Renewal Strategy, or was unnecessary as urban growth and renewal was already occurring with the rail line in place. These arguments will be considered in the following sections.

Revitalisation of Newcastle

3.2 A number of inquiry participants expressed strong support for truncating the rail line at Wickham, arguing that it would facilitate the renewal of Newcastle. It was also suggested that if the truncation did not proceed, there would be a negative impact on business confidence.

3.3 Mr Peter Anderson, Head of Wholesale, Projects Division, UrbanGrowth NSW, submitted that removing the rail line would enhance the permeability of the city and reactivate Newcastle:

What it really does mean to do is activate that area by being able to get people from the waterfront back into the city, or people from the city back out to the waterfront; it means that you are creating an opportunity for them to actually engage with those things. What it will do is improve the livability of Newcastle, which is critical to deliver, and hopefully will stop the decline that is happening there at the moment. You will be able to activate it. One of the most important things, I think, is to create a city that people actually want to live in and people actually want to work in and want to visit. That is not what is happening at the moment.⁸⁰

3.4 Mr Anderson contended that the removal of the rail line, in conjunction with other ‘catalyst projects’ such as the new law courts and university campus that are being built in the CBD, would boost the economic performance of Newcastle and result in the revitalisation of the city:

... the city’s own economic performance is substantially lower in regards to other comparable cities in Australia. The idea is to boost that performance and then revitalise the city as part of that process. Along with this are the other catalyst projects. While the rail and accessing the waterfront are new transport initiatives, there

⁸⁰ Evidence, Mr Peter Anderson, Head of Wholesale, Projects Division, UrbanGrowth NSW, 24 November 2014, p 39.

are also the initiatives of the catalyst projects – the law courts, the university and other things – that will start to bring those opportunities into play.⁸¹

- 3.5** Mr Angus Gordon, Development Manager, GPT Group, informed the committee that research commissioned by GPT found that one of the key drivers of urban revitalisation for Newcastle would be ‘reconnecting the central business district back through to the waterfront’.⁸² Mr Gordon submitted that removing the rail line through the city was therefore necessary if revitalisation were to occur:

I think if you look at Newcastle central business district there are two key factors at play. It is a very long and stretched out city which means, I suppose, you have a lot of frontage for a central business district to actually cover but then on the flip side it has got fantastic natural amenity on the beach and the harbour and to be cut off from one of your best assets, being your harbour and your waterfront, which is currently very difficult for cars, pedestrians and other uses to get to, we see as a key factor as to why it is not sustainable ...⁸³

- 3.6** Mr Glenn Byres, NSW Executive Director, Property Council of Australia, said that research conducted by the Property Council had also found that removing the rail line barrier would assist the renewal of Newcastle by improving connectivity:

... we looked at issues relating to the CBD, how to revitalise the CBD that at that stage was very depressed and suppressed, and one of the solutions we arrived at was improving the public domain outcome, and obviously the issues relating to the rail line removal were considered as part of that. We felt it was a barrier to the CBD and a barrier to the CBD’s renewal.⁸⁴

- 3.7** Further, Mr Andrew Fletcher, New South Wales Regional Director, Property Council of Australia, noted research conducted by the Property Council on the impact of the Urban Renewal Strategy and the truncation of the rail line and subsequent construction of light rail which found that there would be a significant and positive economic impact on the city:

What we know from our research is that the Urban Renewal Strategy and the light rail infrastructure will have a significant economic multiplier on the city. We estimate the economic activity that will come from that at \$2.5 billion.⁸⁵

- 3.8** Mr Byres commented that the Property Council viewed the rail line as ‘a barrier to investment. It is something that has an effect on the amenity and the public domain of the CBD and that is why we would like to see a solution that provides a more permeable CBD’.⁸⁶

⁸¹ Evidence, Mr Anderson, 24 November 2014, p 39.

⁸² Evidence, Mr Angus Gordon, Development Manager, The GPT Group, 21 November 2014, p 78.

⁸³ Evidence, Mr Gordon, 21 November 2014, p 78.

⁸⁴ Evidence, Mr Glenn Byres, NSW Executive Director, Property Council of Australia, 24 November 2014, p 44.

⁸⁵ Evidence, Mr Byres, 24 November 2014, p 50.

⁸⁶ Evidence, Mr Andrew Fletcher, New South Wales Regional Director, Property Council of Australia, 24 November 2014, p 49.

- 3.9** The Hunter Business Chamber also supported truncation of the rail line. Mr Richard Anicich, Immediate Past President, Hunter Business Chamber submitted that the truncation was an element of a new vision for Newcastle that should be allowed to proceed:

This is not just about the rail line. It is about a vision for the revitalisation of the Newcastle CBD, of which the transport changes are just a part ... The vision started then with the removal of the ugly railway yards and the opening up of the foreshore from Queens Wharf to Nobbys. Then we saw the gradual development further to the west, now described as the Honeysuckle precinct ... The momentum has started and we are getting on with the job. Yes, the trains will stop on that final 1.8 kilometres of track from 26 December, but the lights will not go out in Newcastle because of that.⁸⁷

- 3.10** Some inquiry participants acknowledged that while the truncation would have some impact on the travel plans of commuters, the benefits gained from opening up the city outweighed any inconvenience that may be experienced. For example, Mr Chris Chapman, Managing Director, Colliers International Newcastle, said:

Yesterday I caught the train to Sydney – I live over the road from the train station at Scott Street in an apartment – and it was great. I just walked across the road. When I got to Sydney, I got out at Central and then I made alternative transport arrangements to get to Grosvenor Place, George Street, which was fine. In January when I do that again I will simply get a bus. If it's a nice day I might walk or my wife will drop me down to wherever I have to go to get on that train. To me that is easy. I will deal with that because I believe the railway line needs to go from an economic perspective to open up the city, to create the connection between the city that has long been missing. I think that over time – I am not talking about next year or the year after – over the medium to long term that will create a city that is connected, vibrant and lively; I am really excited about that.⁸⁸

- 3.11** Ms Helen Cummings expressed a similar view, commenting that while the current rail services were convenient, removing the rail infrastructure would allow Newcastle to become a 'world-renowned' city:

How convenient it is to walk to the station, hop on a train to Sydney and then the airport to visit family in the USA and do the same on return. But I love my city more than this convenience and so called 'seamless' trip. The infrastructure is big and ugly. The trains are heavy and 90 per cent empty ... do not let our city stagnate for another decade. We must move forward if we are to become world renowned city.⁸⁹

- 3.12** Rail patronage statistics will be considered in chapter 4.

- 3.13** In addition, supporters of the rail truncation were concerned about the potential negative impact on business confidence in Newcastle if the truncation did not proceed as planned. Mr Fletcher expressed the view that it would have a 'devastating' effect:

⁸⁷ Evidence, Mr Richard Anicich, Immediate Past President, Hunter Business Chamber, 21 November 2014, p 54.

⁸⁸ Evidence, Mr Chris Chapman, Managing Director, Colliers International Newcastle, 21 November 2014, p 13.

⁸⁹ Submission 49, Ms Helen Cummings, pp 1-2.

I think it would be a devastating impact on business confidence and on investment in the city. Since the Government announced the Newcastle Urban Renewal Strategy in December 2012 we have done some work on this. There has been \$1.04 billion worth of development either planned, approved or commenced. That is a direct result of there being some certainty around government policy settings. You compare that to the previous 10, 20 years where there has been constant flip-flopping. The private sector craves certainty. When that is delivered through government you see the benefits flow.⁹⁰

- 3.14** Mr Chapman observed that while business activity has been slow over the last few years, '[i]n the last 12 months there is a mood and a feeling that things will be better, that this is something that we can plan a great transport system around for the modern Newcastle and create a dynamic city with that barrier gone.'⁹¹ Mr Chapman shared the view that the impact of not proceeding with the truncation would be 'devastating',⁹² and stated:

I think that there is a mood for change, there is a mood for development, adaptive reuse, new projects, and all sorts of things across the board but it all takes time and a delay or putting off sends us down another decade of where we have been.⁹³

- 3.15** Another inquiry participant, Mr Matthew Newman, urged the community to unite and move forward, submitting that indecision on the rail is having a negative impact on business confidence:

Newcastle needs to unite and work with the decisions that have been made, rather than continuing a debate that has raged longer than I have been alive. The current indecision is hurting business confidence and the positive steps that have been taken as part of this long journey are being put at risk.⁹⁴

Arguments against the need to truncate to renew Newcastle

- 3.16** Numerous inquiry participants expressed a contrary view, arguing that truncating the rail line was an unnecessary and counter-productive step in the renewal of Newcastle. Some argued that the truncation contravened the intent of the Urban Renewal Strategy, while others argued that the renewal of Newcastle had already commenced with the rail line in place.
- 3.17** As noted in chapter 2, the Newcastle Urban Renewal Strategy was released in December 2012 and incorporated a number of initiatives to drive urban renewal and improve connectivity in Newcastle.⁹⁵ It was suggested that truncating the rail line contravened these goals. For example, Dr Stephen Ticehurst and Dr Rhonda Ticehurst contended that the truncation:

⁹⁰ Evidence, Mr Fletcher, 24 November 2014, p 52.

⁹¹ Evidence, Mr Chapman, 21 November 2014, p 14.

⁹² Evidence, Mr Chapman, 21 November 2014, p 15.

⁹³ Evidence, Mr Chapman, 21 November 2014, p 15.

⁹⁴ Public forum, Mr Matthew Newman, 21 November 2014, p 21.

⁹⁵ Submission 253, NSW Government, p 17; and NSW Department of Planning and Environment, *Revitalising Newcastle – Newcastle Urban Renewal Strategy*, 22 October 2014 <<http://www.planning.nsw.gov.au/revitalisingnewcastle>>.

... contravenes the State planning framework by destroying public infrastructure rather than promoting use of it. It contravenes the Urban Renewal framework by discouraging public transport use instead of promoting it. These features directly contravene the principles of NSW 2021 and the Long term Master Plan for the state.⁹⁶

- 3.18** Mr Alan Squire, Convenor, Hunter Transport for Business Development, asserted that the truncation represented ‘the worst public transport option’, noting that the Strategy indicates that urban renewal could be achieved regardless of which public transport option was in place:

... in the NURS [Newcastle Urban Renewal Strategy] document, it says in three places that the urban renewal contemplated by the document could go ahead, whatever public transport option was chosen. What the Government has chosen is the worst public transport option. So there is no need for transport to suffer in the name of urban renewal. They are complementary.⁹⁷

- 3.19** Some inquiry participants submitted that the truncation was unnecessary for revitalisation to occur as the renewal of Newcastle was already underway with the full rail line still existing. Dr Sue Outram and Mr Andrew Zdenkowski articulated this view:

One of the underlying premises for the termination of the rail line into the city is that access from Hunter Street to the harbour will hasten the renewal of the city and increase business bringing greater prosperity. However it needs to be acknowledged (and has not been) that renewal has already occurred, at least in the mall.⁹⁸

- 3.20** Similarly, Mrs Cecily Grace argued that the rail line was not prohibiting the rejuvenation of Newcastle which has, in her view, been occurring over the past two years:

... in the last two years there has been a rejuvenation in town, undoubtedly with the help of the Renew Newcastle strategies ... Many people are appreciating that this is an excellent place to reside and visit. The railway line is not inhibiting this rejuvenation ... the city is alive and doing quite well with the railway line exactly where it is ... There is something organic happening in Newcastle and it is interesting to observe. It has not required the destruction of established infrastructure ...⁹⁹

Committee comment

- 3.21** The committee notes that there are widely divergent views within the community regarding the truncation of the rail line at Wickham.
- 3.22** On the one hand, the truncation is viewed as a positive step that will enhance the permeability of the city and facilitate the revitalisation of Newcastle. On the other, the truncation is seen as an unnecessary and counter-productive step in the renewal of Newcastle, particularly as some participants feel that Newcastle is already undergoing a renaissance.
- 3.23** It is notable that almost every one of the submissions in support of cutting the rail line came from business and/or property interests in the city. Only a small number of Newcastle residents made a submission in support of truncating the rail line.

⁹⁶ Submission 1, Dr Stephen Ticehurst and Dr Rhonda Ticehurst, p 1.

⁹⁷ Mr Alan Squire, Convenor, Hunter Transport for Business Development, 21 November 2014, p 62.

⁹⁸ Submission 21, Dr Sue Outram and Mr Andrew Zdenkowski, p 2.

⁹⁹ Submission 156, Mrs Cecily Grace, p 1.

- 3.24** Overwhelmingly the submissions from the general public and from transport academics were strongly opposed to the cutting of the rail line. The committee did not receive a single submission from a resident of Maitland or the Upper Hunter, a region that relies on the rail line connection to the Newcastle CBD, in support of the rail truncation.
- 3.25** As a committee that is formed from a democratic chamber we give significant weight to the strong and consistent opinions that were delivered to us by the people of Newcastle and the Hunter and we believe that any responsible government should do the same.

Connectivity to the waterfront

- 3.26** One of the primary reasons given for truncating the rail line at Wickham is to remove the barrier between the Newcastle city centre and the waterfront, thus improving connectivity, access and permeability between the two areas.¹⁰⁰ However, inquiry participants were divided as to whether or not the rail corridor constituted a barrier.
- 3.27** The removal of the rail as a ‘barrier’ was encouraged by some inquiry participants, including Mr Matthew Newman who insisted ‘[w]e need to move forward and connect our city with our harbour’.¹⁰¹
- 3.28** Ms Helen Cummings also supported removing the rail line from Wickham, expressing the view that it would aesthetically improve the area:

Our city could be as beautiful as any great port city in the world if this ugly barrier is removed. I am fortunate from my vantage point nine floors above to see how alive, busy and beautiful our harbour is. The yachts, the tugs, the fishing trawlers, the container vessels and the Stockton ferry. Everyone else on the ground is denied this by the fence, heavy infrastructure and long monotonous empty heavy trains ...¹⁰²

- 3.29** Other inquiry participants, however, challenged the assertion that the line impedes access to the waterfront. Some highlighted that multiple crossings exist to facilitate access across the rail corridor. As one submission author said: ‘Reports say the public want to walk easily through from Hunter Street to the water front, that can be done with ease at present.’¹⁰³
- 3.30** Another submission author identified that numerous crossing points exist across the rail line which facilitate ease of access between the CBD and the foreshore:

The main reason stated by proponents of removing rail is that it will improve access between the city and the foreshore. I have no problems accessing the foreshore from the city and vice versa. There are many crossing points whether they be overpasses or level crossings.¹⁰⁴

¹⁰⁰ Evidence, Mr Brendan O’Brien, Executive Director, Department of Planning and Environment, 24 November 2014, p 20.

¹⁰¹ Public forum, Mr Matthew Newman, 21 November 2014, p 21.

¹⁰² Submission 49, Ms Helen Cummings, p 2.

¹⁰³ Submission 76, Name suppressed, p 2.

¹⁰⁴ Submission 274, Name suppressed, p 5.

- 3.31** A similar argument was made by Mr Dale Budd, who noted the multiple crossing points that already exist and suggested that more could be created if desired:

It is claimed that the railway line forms a barrier between the city and the foreshore, and that traffic crossing the line at level crossings is excessively delayed by warning lights and boom barriers when a train passes. Such claims are spurious. There are multiple crossing points along the railway, and more could be created by the building of overpasses, if necessary. And delays at crossings are no worse than the delays which every road user experiences at traffic lights at a myriad of intersections. Time spent waiting for a train to pass is no different from time spent waiting for road traffic at an intersection.¹⁰⁵

- 3.32** Suggestions for more level crossings or overbridges will be considered in more detail in chapter 4.

- 3.33** Mr Paul Rippon also expressed the view that there are adequate connections between the CBD and waterfront:

I think there is already connection to the harbour. Certainly there is a pedestrian connection to the harbour. There are not necessarily good connections by car. So why take the rail line away that is going to put more cars in there, increase traffic, increase congestion and you are going to have less connectivity to anywhere?¹⁰⁶

- 3.34** Ms Joan Dawson, President, Save Our Rail NSW Inc., challenged the notion that removing the rail line would result in better connectivity, suggesting that the truncation would in practice disconnect the Newcastle city centre from the broader Hunter community:

Talking of connectivity that has been mentioned here today about keeping contact between the Hunter Street area and the waterfront, that word ‘connectivity’ really drives me around the bend, because what they are actually doing is actually disconnecting Newcastle from the rest of the Hunter community. They are disconnecting other parts of Newcastle, such as Railway Street, which is to be closed. What about the connectivity in that area and what about the connection between Newcastle and other cities? The intercity connection is being cut off for the sake of supposedly linking the inner part of Newcastle to another part, which really will not happen because, as was pointed out this morning, the buildings there will be a bit more concrete to move through than the railway line is to get across.¹⁰⁷

- 3.35** Some inquiry participants questioned the existence of evidence to prove that connecting the harbour to the city was necessary. For example, Mr Rippon stated: ‘I can see perhaps some rationale behind that but that just seems to be put out as a self-evident truth without any real elaboration.’¹⁰⁸

- 3.36** Mr Kevin Harrison also raised the perceived lack of evidence, remarking: ‘Removing the heavy rail back to Wickham will open up easy access from the city to the foreshore area. This

¹⁰⁵ Submission 225, Mr Dale Budd, p 3.

¹⁰⁶ Public forum, Mr Paul Rippon, 21 November 2014, p 10.

¹⁰⁷ Evidence, Ms Joan Dawson, President, Save Our Rail NSW Inc., 7 November 2014, p 76.

¹⁰⁸ Public forum, Mr Rippon, 21 November 2014, p 10.

is true, although it has not been shown what need there is for this or what benefits it would bring.¹⁰⁹

3.37 In response to questioning from the committee regarding the evidence that the railway created a disconnect between the city and the foreshore, Mr Anderson, from UrbanGrowth, advised that a report by the Hornery Institute called “Decay to Destination”¹¹⁰ identified that ‘some of the best urban renewal outcomes are when you actually are able to connect people to their natural opportunities.’¹¹¹

3.38 Another point raised during the inquiry was that even if the rail line is removed, there are numerous existing buildings that remain as a barrier to the foreshore. For example, TVT Transport Development and Road Safety Research stated:

I am assuming that the aspired-to reconnection refers to both visual and physical access. In both cases there is a significant problem in that there is already a considerable amount of built infrastructure between the southern side of Hunter Street and the harbour foreshore. So much so that in reality there is really only up to around 300-400 metres of visual or physical clearway between the north side of Hunter Street and the foreshore. The rest is already built over with apartments and other buildings, some of which are several stories tall. Even within that 400 metre visual window, there are some buildings on the foreshore itself.¹¹²

3.39 TVT Transport Development and Road Safety Research continued on to say that the existence of buildings alongside the rail line rendered concerns about the barrier caused by the rail line ‘irrelevant’:

At the west end of that 300-400 metre visual window, up to just east of Civic railway station, there are multi-story buildings on the foreshore side of the railway, so it wouldn’t matter whether the railway was there or not – there is no direct access to the water edge. If Civic Railway station wasn’t there, there would be clearer physical access to the Honeysuckle precinct, but west of that, there are enough existing buildings along Hunter Street, acting as barriers, to make concerns about the railway as a barrier quite irrelevant.¹¹³

3.40 The barrier formed by existing buildings was also raised by Mr Peter Sansom, who said:

Excuses have been invented to justify closure of the railway that are not valid. The main excuse being that the railway is a barrier. More recently there has been talk of a need for connectivity between Hunter Street and the harbour. This is simply not true. The real barrier is the developments that have been built in Honeysuckle and Wharf Road.¹¹⁴

¹⁰⁹ Submission 34, Mr Kevin Harrison, p 5.

¹¹⁰ The committee notes that the “Decay to Destination” report was undertaken by the Hornery Institute on behalf of their client The GPT Group. We also note the Hornery Institute states that this report should not be relied on wholly or in part when making decisions with financial or legal implications.

¹¹¹ Evidence, Mr Anderson, 24 November 2014, p 31.

¹¹² Submission 249, TVT Transport Development and Road Safety, pp 1-2.

¹¹³ Submission 249, TVT Transport Development and Road Safety, p 2.

¹¹⁴ Submission 47, Mr Peter Sansom, p 1.

- 3.41** Inquiry participants also argued that redevelopment of the rail corridor post-truncation would serve to exacerbate the situation by creating new barriers. Future development plans for the rail corridor are considered in chapter 5.

Committee comment

- 3.42** The committee notes that inquiry participants were divided as to whether or not the rail corridor constitutes a barrier between the Newcastle city centre and the waterfront. While some participants maintained that removing the rail line was an essential step in improving connectivity, access and permeability between the two areas, others were less convinced of the merits of removing the perceived barrier.
- 3.43** It is an undeniable fact that the City of Newcastle has a rail line that runs to the northern side of its CBD. This is a far from unusual feature in a city the size of Newcastle. It is difficult to accept that the presence of a heavy rail public transport infrastructure in the centre of a city's CBD is a net negative to the growth and development of a modern city. Nevertheless, the committee will bear in mind the differing arguments raised in relation to the rail corridor acting as a barrier, as well as the opposing views of the impact of the proposed truncation on urban renewal and connectivity as we draw our conclusions throughout this report.

Chapter 4 Truncation of heavy rail

A wide range of arguments were presented by inquiry participants against the decision to truncate the heavy rail line at Wickham and replace it with a light rail system down Hunter Street. This chapter explores those arguments, before considering issues with the community consultation process regarding the decisions and concerns about cost benefit analyses. Alternative options to truncation, including sinking the rail line, overbridges and level crossings, are then discussed.

Arguments against truncation

- 4.1** The majority of inquiry participants opposed the decision to terminate the heavy rail line at Wickham and the proposal to construct light rail along Hunter Street. Numerous arguments were raised against truncation and the light rail replacement, including that it would be a waste of money, will increase travel times and result in more people driving cars, thereby increasing issues with traffic congestion and parking.
- 4.2** It was submitted that many of the issues raised in the arguments against truncation would be exacerbated as a result of the new city campus for the University of Newcastle, the new justice facility in the Civic precinct and the proposed redevelopment of the Hunter Street mall site owned by GPT and UrbanGrowth NSW. The following sections consider these issues and arguments.

Waste of money

- 4.3** Many inquiry participants argued that truncating the heavy rail line and replacing it with a light rail service so close to the existing train line was financially wasteful. For example, Mr Alan Squire, Convenor, Hunter Transport for Business Development, remarked:
- ... it is waste for the Government to put forward a proposal costing \$460 million to truncate the rail, shift the railway line 20 metres, in effect, to Hunter Street, and incur that cost when there are alternatives available which would avoid all that waste.¹¹⁵
- 4.4** As noted in chapter 2, Transport for NSW advised that \$460 million has been allocated to the Newcastle Urban Renewal and Transport Program, which includes the truncation of the rail line, construction of a new transport interchange at Wickham, introduction of a light rail system and implementation of a seven to ten year program for urban renewal. The portion of that amount that has been allocated to the light rail was not specified.¹¹⁶
- 4.5** The NSW Commuter Council similarly questioned the value of replacing the rail with a service only metres away from the current line, stating: "Terminating a perfectly functional and convenient system which has delivered people promptly to their destination for over a century cannot be bettered by forcing people to take a similar system 40 metres away from their current transport."¹¹⁷

¹¹⁵ Evidence, Mr Alan Squire, Convenor, Hunter Transport for Business Development, 21 November 2014, p 63.

¹¹⁶ Answers to questions on notice, Transport for NSW, 3 December 2014, p 1.

¹¹⁷ Submission 299, NSW Commuter Council, p 2.

- 4.6** The estimated cost of the projects was criticised by numerous stakeholders, such as the author of submission no. 274 who argued that the plan to remove the heavy rail line, and build a light rail system and new interchange at Wickham was ‘a ludicrous waste of money to duplicate the current level of access with no apparent gains.’¹¹⁸
- 4.7** Concerns about costs were also raised by Ms Sharon Grierson, former federal member for Newcastle, who contrasted the estimated expense of the proposed two kilometre light rail service against the proposed light rail in the Australian Capital Territory:
- ... two kilometres of light rail at a cost of \$350 million does not present value for money, particularly when compared to the Australian Capital Territory plan to build a 12 kilometre light rail service at an estimated cost of \$750 million, nor does this two-kilometre stretch drive public transport patronage.¹¹⁹
- 4.8** EcoTransit Sydney similarly compared the cost per kilometre between the proposed light rail in Newcastle and light rail in Europe:
- The line would be about 2.5km in length and would therefore cost \$184m per (double) track kilometre. Recent light rail “start-ups” in equivalent small European cities (and there have been many) have come in at between \$30m and \$40m per kilometre. This would make the very simple Newcastle project four and a half times higher than the per-kilometre cost of the most expensive recent European start-up.
- This is an extraordinarily high sum for such a tiny project ... No factor of topography, geology, urban form, historic structures or complications related to underground services could remotely account for such a difference. In fact all of these factors have typically been far more challenging in most of the European projects.¹²⁰
- 4.9** The cost of the proposed light rail caused particular angst for a number of inquiry participants who considered light rail to be an inferior mode of transport to heavy rail. For example, Mr Peter Sansom asserted: ‘[I]his government is determined to press ahead with wasting hundreds of millions of dollars to close the railway and leave Newcastle with a grossly inferior transport system’.¹²¹
- 4.10** Planning Plus shared a similar view, commenting:
- The sum of money likely to be involved is extraordinary for a project that would merely replace an existing functional piece of infrastructure with another one that at best would provide no service improvement, but which might significantly reduce the quality of service for existing and potential future users.¹²²
- 4.11** According to the hierarchy of transport outlined by Clr Tim Crakanthorp¹²³ from the City of Newcastle, shifting from heavy to light rail would be regressive and problematic:

¹¹⁸ Submission 274, Name suppressed, p 3.

¹¹⁹ Evidence, Ms Sharon Grierson, former Federal member for Newcastle, 21 November 2014, p 37.

¹²⁰ Submission 269, EcoTransit Sydney, pp 2-3.

¹²¹ Submission 47, Mr Peter Sansom, p 1.

¹²² Submission 317, Planning Plus, p 2.

¹²³ Mr Crakanthorp was elected as the member for Newcastle on 25 October 2014.

In terms of hierarchy of transport, you have walking, then bikes, then cars, then buses, then light rail, then heavy rail. We are putting 5,000 students in a new set of law courts, which you have all seen, plus GPT's 500 units, 25,000 square metres of retail and other commercial. And we are going to step backwards in the hierarchy to a less frequent system, one with less capacity. That is the big problem.¹²⁴

4.12 Mr Peter Newey suggested that the shift would have a negative impact on patronage: ‘Train services into Newcastle have worked well for 150 years. Why replace with something inferior that would drive people away from public transport?’¹²⁵

4.13 Rail patronage will be considered in more detail later in this chapter.

4.14 Dr Graham Boyd, Secretary, Hunter Commuter Council, questioned why the rail was being truncated when substantial funds have been spent on upgrading the heavy rail line:

... millions have been spent upgrading the railway line, upgrading the stations, upgrading the signalling system, upgrading the level crossings. Instead, we are going to not use that. We are going to build a tram line down Hunter Street and Scott Street for \$400 million at the risk of causing great disruption to traffic, particularly the replacement bus service.¹²⁶

4.15 Dr Boyd added: ‘[T]here seems to be no rationale for replacing expensive infrastructure with even more expensive infrastructure’.¹²⁷

4.16 Others suggested that there would be greater economic benefit in using the allocated funds for other developments within Newcastle. As put by Mrs Cecily Grace: ‘Such a lot of money which could be shared for the many projects throughout the entire city!’.¹²⁸

4.17 Dr Geoff Evans, President of the Newcastle Inner City Residents Alliance, agreed that the money could be better used to improve other important services and infrastructure within Newcastle:

Why spend money ripping up a railway line, duplicating it with a light rail just a couple of metres to the opposite side when that money could be used for proper development – hospitals, schools, infrastructure for the western areas of Newcastle and services for young people, for disabled people and all those other services that Newcastle has been denied? The opportunity is there but this Government seems determined to waste half a billion dollars.¹²⁹

¹²⁴ Evidence, Clr Tim Crakanthorp, The City of Newcastle, 21 November 2014, p 20.

¹²⁵ Submission 217, Mr Peter Newey, p 4.

¹²⁶ Evidence, Dr Graham Boyd, Secretary, Hunter Commuter Council, 21 November 2014, p 70.

¹²⁷ Evidence, Dr Boyd, 21 November 2014, p 70.

¹²⁸ Submission 156, Mrs Cecily Grace, p 2.

¹²⁹ Evidence, Dr Geoff Evans, President, Newcastle Inner City Residents Alliance, 7 November 2014, p 51.

The need for heavy rail to Newcastle

4.18 Inquiry participants argued that there were significant advantages to retaining the existing rail line beyond the proposed Wickham interchange. This argument primarily centred on the view that the existing rail system provides a critical piece of public transport infrastructure for the increasing numbers of people travelling to Newcastle for work, education and recreational activities.

4.19 For example, Clr Crakanthorp asserted that the increasing number of people that will travel into the city as a result of the new university campus, law courts and proposed redevelopment of the Hunter Street mall site made the rail line an ‘increasingly important’ piece of infrastructure:

I believe that a rail line which connects the centre of our city with the wider Hunter Region, and Sydney, is an invaluable asset for our future; an asset that will become increasingly important as new revitalisation projects come on-line. Projects such as the new 5,000 student university campus, the new law courts, and the proposed GPT/Urban Growth development. With these developments and the increasing population of surrounding suburbs ... [t]he need to have effective, viable, connective public transport into the city is critical.¹³⁰

4.20 Professor Howard Dick, Faculty of Business and Economics, University of Melbourne, suggested that it made ‘no sense’ to truncate the rail line at Wickham when the university, legal, civic and cultural precincts would benefit from the rail line:

It makes no sense in transport planning terms to develop a university and a new legal precinct and to have cultural facilities, the town hall and the city centre here at Civic and to pull the railway back down the line. That would have to be very well justified, and it has not been so far.¹³¹

4.21 The NSW Teachers Federation submitted that in addition to students and workers relying on the convenience of the existing line to Newcastle for their commute, the rail is also ‘a vital transport facility’ for people travelling to the city for recreational purposes from metropolitan and regional areas:

Many students in schools, TAFE and universities use this rail service to attend these educational centres. Workers use these services to commute into Newcastle for their employment from other regions such as the Central Coast and Upper Hunter. At weekends, the railway service is used as a vital transport facility to access recreational services and facilities in the Newcastle area.

The existing rail infrastructure can effectively transport students and teachers from diverse metropolitan areas of Newcastle and outlying regions into the CBD without delays of interchanging to another mode of transport.¹³²

¹³⁰ Submission 268, Mr Tim Crakanthorp, p 2.

¹³¹ Evidence, Professor Howard Dick, Faculty of Business and Economics, University of Melbourne, 21 November 2014, p 72.

¹³² Submission 252, NSW Teachers Federation, p 1.

- 4.22** Ms Helen Sharrock contended that it was ‘unbelievable that a government would remove rail when local public transport requirements will be increased’ by the growing city.¹³³ Ms Sharrock also espoused the benefits of the existing rail line for tourists visiting the city:

Another important fact to consider is that Newcastle railway station provides easy access to significant tourism sites, heritage precincts, Customs house, famous surf beaches, Nobbys lighthouse and cottages, Fort Scratchley, restaurants, museums, galleries and the harbour foreshore. Tourism is growing in Newcastle. It is already a popular destination and visitation will increase. Providing good transport links and connections is integral for the inner city, the coast, the upper hunter and Sydney.¹³⁴

- 4.23** Another submission maker highlighted the range of events and festivals that rely on the heavy rail services to efficiently and effectively transport commuters, including the annual New Years Eve festivities, National Maritime Festival, Hunter Valley Steamfest Festival, and sporting events such as Surfest and football matches.¹³⁵

- 4.24** Ms Beverley Atkinson highlighted the impact on older citizens and tourists who would be disadvantaged by the truncation, with the requirement to change transport modes to reach the harbor an unwelcome addition to transport plans:

Seniors with walkers can go straight from the train to the harbour edge for a beautiful day out. You cannot fool them with nonsense like easy mode changes or seamless travel. What they need is what they have now: no mode changes, no hassle, no delay and no distress ... Tourists arrive with blissful ease; it is a stroll from the train to the hotel or the beach. It is world beating.¹³⁶

- 4.25** The issue of changing modes of transport is discussed in more detail later in this chapter.

Valuable civic asset

- 4.26** Another argument submitted by stakeholders is that heavy rail is a valuable civic asset regarded world-wide as a significant feature of any public transport system, particularly within and between cities. According to EcoTransit Sydney, ‘heavy rail access is the holy grail of public transport planning.’¹³⁷
- 4.27** The value of heavy rail for cities was highlighted by Ms Bronwyn McDonald, who noted the ‘huge literature’ on its importance ‘for vibrancy of urban spaces, for economic reasons ... community inclusivity and importantly for environmental reasons’.¹³⁸
- 4.28** Planning Plus emphasised the benefit of a heavy rail line in Newcastle, explaining that a rail link ‘to the heart of the Newcastle City Centre’ both from within the Hunter region and from

¹³³ Public forum, Ms Helen Sharrock, 21 November 2014, p 12.

¹³⁴ Public forum, Ms Sharrock, 21 November 2014, p 12.

¹³⁵ Submission 176, Name suppressed, pp 2-3.

¹³⁶ Public forum, Ms Beverley Atkinson, 21 November 2014, p 7.

¹³⁷ Submission 269, EcoTransit Sydney, p 2.

¹³⁸ Submission 16, Mrs Bronwyn McDonald, p 3.

other areas such as the Sydney, Central Coast and Mid North Coast regions is 'likely to be one of the city's key economic assets of the future'.¹³⁹

- 4.29** Numerous inquiry participants criticised the decision to truncate the rail line in light of the global trend towards building railways. For example, Planning Plus argued that 'the decision is completely contrary to current international best practice'.¹⁴⁰
- 4.30** Mr Dale Budd asserted that: 'So far as is known, no other city in the world is currently planning to cut back a rail line into its centre'.¹⁴¹ Similarly, Two More Trains for Singleton stated: 'In no other major city in the world would such folly be tolerated in an era where rail systems to city centres are being expanded not removed'.¹⁴²
- 4.31** Mrs Bronwyn McDonald considered the decision to be 'anomalous to ongoing sustainability and equity urbanisation plans, both in Australia and abroad'.¹⁴³
- 4.32** Some inquiry participants therefore drew the conclusion that removing the heavy rail line into Newcastle would be an irreparable, backward step for the city. EcoTransit Sydney, for instance, stated that 'in terms of commercial development the permanent removal of this asset would be counterproductive'.¹⁴⁴
- 4.33** Another submission author contended that the decision would be cause for future regret, particularly if reinstalling the rail line was no longer a viable option:

If the train line is truncated, it is something that the City will regret in the years to come and by then it will be too late as it is proposed that some sections of the rail line will be built upon. This would make it impossible to ever re-introduce the train line back into the heart of Newcastle ever again.¹⁴⁵

- 4.34** Several inquiry participants noted that the removal of heavy rail lines in other cities has been reversed in a number of instances. According to Mr Sansom, those rails were reinstated because the expected gains were not made:

In cases where railways were removed, the promised benefits did not materialise. This was the case in Fremantle, Bunbury, Semaphore in suburban Adelaide and the Gold Coast in Queensland. In the case of Fremantle and the Gold Coast railways were reinstated.¹⁴⁶

- 4.35** Campbelltown and Districts Commuter Association similarly noted that rail systems are being reinstated in other cities:

¹³⁹ Submission 317, Planning Plus, p 1.

¹⁴⁰ Submission 317, Planning Plus, p 1.

¹⁴¹ Submission 225, Mr Dale Budd, p 3.

¹⁴² Submission 59, Two More Trains for Singleton, p 3.

¹⁴³ Submission 16, Mrs Bronwyn McDonald, p 3.

¹⁴⁴ Submission 269, EcoTransit Sydney, p 3.

¹⁴⁵ Submission 6, Name suppressed, p 2.

¹⁴⁶ Submission 47, Mr Peter Sansom, p 1.

It pains me to see further deterioration in the quality of our rail system in this State. Newcastle is the only city in the world removing a rail system into the CBD when many cities around the world would dearly love to have what Newcastle already has. They are spending enormous amounts of money to re-install in many cases what was once removed.¹⁴⁷

- 4.36** Likewise, Mr Francis Young pointed to the North West Rail Link as an example of a previously functional railway that was removed and is now being reinstated at great expense:

We watched the North West Rail Link being built at vast expense, billions, to replace the Castle Hill Railway that was removed but was perfectly functional. It ran from Parramatta to Castle Hill in the 1930s and 1940s, but the authorities saw fit to remove that railway and now a new one is being put in.¹⁴⁸

- 4.37** Campbelltown and Districts Commuter Association reflected on the removal of the rail line to Camden to demonstrate the benefit of heavy rail in efficiently transporting people compared with other modes of transport:

A good example is the line to Camden which was removed in 1963. Roads are being amplified at great cost in the area and will only be capable of carrying present traffic levels let alone the needs for future growth of the many new suburbs. A road lane has a maximum throughput of 3,600 cars at the speed of 60kph and reducing each side of this speed. A 15 minute 8-car train service on a single line to Camden has the capacity of 3 road lanes. Two rail lines have a maximum capacity of 80,000 passengers per hour.¹⁴⁹

Commuter concerns

- 4.38** Another area of concern for stakeholders was that truncating the rail line and requiring passengers to change modes of transport would result in longer travel times and inconvenience commuters. As explained by Planning Plus:

The decision to truncate rail services will necessitate a forced modal change at Wickham, which is a very short distance (1-2 km) from the ultimate destination for passengers accessing the city centre. This can be expected to introduce a significant time and inconvenience penalty for passengers....¹⁵⁰

- 4.39** Community group Local Living Dungog similarly submitted that it would be more difficult to travel by public transport to the city centre into the future if the changes proceed:

Members of our group who make the commute are concerned that if the rail line was cut off, the additional travel time involved with changing modes of transport and travelling by bus would make it difficult to continue to travel by train to the city.¹⁵¹

¹⁴⁷ Submission 32, Campbelltown and Districts Commuter Association, p 1.

¹⁴⁸ Public forum, Mr Francis Young, 21 November 2014, p 2.

¹⁴⁹ Submission 32, Campbelltown and Districts Commuter Association, p 1.

¹⁵⁰ Submission 317, Planning Plus, p 2.

¹⁵¹ Submission 288, Local Living Dungog, p 2.

Longer travel times

4.40 Some inquiry participants attempted to quantify the increased travel time from having to connect bus and train services. For example, Dr Stephen Ticehurst and Dr Rhonda Ticehurst suggested that a trip from Warabrook to the city ‘is now going to take over half an hour plus a change compared with 11 minutes at present’,¹⁵² while another submission maker stated that ‘if the trains are terminated at either Broadmeadow, Hamilton or Wickham, I believe that the journey will take at least an additional 15 minutes each way. This equates to 30 minutes per day or 2.5 hours per week’.¹⁵³

4.41 Others considered the effect of longer travel times within the context of work and other commitments. Local resident Mr Andrew Amos, for example, explained the likely impact on commuters in terms of additional travel time and a more unreliable service:

Right now with the train only journey, you can train it from Maitland to Newcastle in the same time as (or less than) you can drive in a car. That will not be the case, if the rail line is truncated at Wickham. Based on my experience above, interchanging is likely to add at least 11 minutes to the outbound rail journey, and introduce the possibility of missing a train connection if the bus is caught in traffic. These will be definite disincentives to working commuters using the train...¹⁵⁴

4.42 The NSW Commuter Council discussed the potential need to take earlier services to get to work on time, based on an extra half an hour in travel:

It will take about a half an hour longer to arrive at one’s destination – this means commuters will almost certainly need to take the previous service to meet their work commitments and arrival times. This may also result in lost connections on the return journey.¹⁵⁵

4.43 According to a survey commissioned by Community Too Inc., the increase in travel time for some survey respondents would be two hours a day ‘because of lost efficiency in links and also because of inflexible employers’.¹⁵⁶

4.44 Professor Dick shared his concerns about increased travel times on businesses and the community:

It really worries me for the future of the university campus, our cultural facilities, and business at this end of town – the smaller businesses. What will the future be if we make journeys significantly longer, as they will be, and also much less reliable?¹⁵⁷

Changing modes of transport

4.45 Beyond increasing travel times, some inquiry participants discussed the inconvenience of changing modes of transport, particularly for the elderly, disabled and families with young

¹⁵² Submission 1, Dr Stephen Ticehurst and Dr Rhonda Ticehurst, p 4.

¹⁵³ Submission 6, Name suppressed, p 1.

¹⁵⁴ Submission 96, Mr Andrew Amos, p 7.

¹⁵⁵ Submission 299, NSW Commuter Council, pp 1-2.

¹⁵⁶ Public forum, Ms Patricia Gillard, 21 November 2014, p 26.

¹⁵⁷ Evidence, Professor Dick, 21 November 2014, p 72.

children. Ms Joan Dawson, President, Save Our Rail NSW Inc., challenged the notion that the interchange system would be ‘seamless’:

All kinds of words have been used such as ‘seamless’. Gladys Berejiklian came out in a media release talking about a seamless interchange. I am sorry, but you cannot have a seamless interchange. The two words have the opposite meaning.¹⁵⁸

4.46 Mrs Helen Sharrock provided a personal example of the impact that changing modes of transport would have on her travel to Sydney:

With the government’s proposed changes I will have to wait at a bus stop (which has no shelter) with my heavy suitcase to go to Broadmeadow station to get on a train to Sydney. I understand there are at least 12 sets of traffic lights between Broadmeadow station and Newcastle station.

This will add probably another 45 minutes to my journey. This is definitely not progress! If I need to drive to Broadmeadow station, parking will be a significant problem, especially if I park for more than one day.¹⁵⁹

4.47 For Mrs Sharrock, the ability to travel easily by public transport between Newcastle and Sydney is of major significance: ‘A major reason I moved to Newcastle city is because of the ability for me to walk to Newcastle station to travel to Sydney’.¹⁶⁰

4.48 Similarly, Mrs Grace explained the difficulties she expects to face when travelling on different modes, and highlighted the impact on the elderly:

I use this train service to Sydney regularly to visit family. I am finding it very difficult to be convinced that clambering off a train with luggage, often at night time, then clambering onto a bus or perhaps in the future, a tram, is going to be beneficial in any way. This will be a huge inconvenience to the ageing population which seems to be the primary demographic moving into the area.¹⁶¹

4.49 The NSW Teachers Federation also commented on the likely effect of changing between buses and trains for other groups in the community, such as those with limited mobility, parents and students:

In particular University and TAFE students come from many of the Hunter region’s towns. People with disabilities or limited mobility, the elderly or frail, parents with young children and strollers and students traveling to the Conservatorium of Music with musical instruments would be forced to disembark from the train and then proceed and wait for yet another form of transport.¹⁶²

¹⁵⁸ Evidence, Ms Joan Dawson, President, Save Our Rail NSW Inc, 7 November 2014, p 76.

¹⁵⁹ Submission 80, Mrs Helen Sharrock, p 2.

¹⁶⁰ Submission 80, Mrs Helen Sharrock, p 2.

¹⁶¹ Submission 156, Mrs Cecily Grace, p 1.

¹⁶² Submission 252, NSW Teachers Federation, p 1.

Loss of patronage

- 4.50** Given the concerns surrounding longer travel times and the inconvenience of changing modes of transport, a number of inquiry participants argued that truncating the rail line at Wickham and establishing an interchange system will result in a significant loss of public transport patronage.
- 4.51** For example, Planning Plus asserted that ‘given that the transfer time penalty is likely to be of the same general magnitude (or greater) as the final journey leg by light rail or bus, a significant impact on patronage is to be expected’.¹⁶³
- 4.52** Mr Amos concurred, stating that ‘any interchange arrangement so close to the destination of most commuters would be a significant disincentive’ for workers to commute by public transport. He concluded that the delays caused by additional travel time would ‘stifle the current growth in rail commuter patronage’.¹⁶⁴
- 4.53** This view was shared by Mr Budd, who contended that truncating the rail line and forcing people to change modes would have a negative impact on the city:
- This forced transfer from one mode to another will act as a deterrent to people seeking to come into the central city area by rail. They will make fewer visits; they will seek to work or shop or study elsewhere, where access by public transport is easier. Some of those who now come by train will seek to bring their cars into the city, adding to traffic congestion and increasing pressure on parking. None of these outcomes is desirable and all of them will have a negative impact on the city.¹⁶⁵
- 4.54** According to the *Wickham Transport Interchange Traffic Impact Assessment* released by Transport for NSW in July 2014, it is estimated ‘that about 77 percent of the total daily train passengers might be potential customers for the post-construction shuttle bus or the future light rail.’¹⁶⁶
- 4.55** Professor Dick questioned the benefit of the changes to the public transport system in Newcastle, given the potential 23 per cent decrease in patronage. He also questioned the impact of the changes on the NSW Government’s goal to increase patronage on public transport,¹⁶⁷ as stated in NSW 2021: A Plan to Make NSW Number One:

The Minister has not been able to explain how a 23% loss of patronage (= a negative) will translate into a planning benefit (= a positive). Either rail passengers will no longer come to the CBD (which is a loss of business) or they will drive and park (which means worsening congestion and cuts across the government’s own target of 20% peak-hour public transport usage by 2016).¹⁶⁸

¹⁶³ Submission 317, Planning Plus, p 2.

¹⁶⁴ Submission 96, Mr Andrew Amos, p 7.

¹⁶⁵ Submission 225, Mr Dale Budd, p 1.

¹⁶⁶ Transport for NSW, *Wickham Transport Interchange Traffic Impact Assessment*, July 2014, p 20.

¹⁶⁷ NSW Government, NSW 2021 Goal
<http://www.nsw.gov.au/sites/default/files/initiatives/nsw_2021_goals.pdf>.

¹⁶⁸ Submission 220, Professor Howard Dick, p 5.

4.56 Other inquiry participants made similar points, such as Ms Veronica Antcliff who remarked: '[T]he Government wants to see increased use of public transport while taking away the most efficient public transport option!!!!'¹⁶⁹

4.57 Likewise, the author of submission no. 6 declared:

In an era when governments of all political persuasions and affiliations are trying to encourage use of public transport in key areas where large numbers of people congregate and at the same time discourage use of private motor vehicles, the decision to truncate the rail line will do the exact opposite.¹⁷⁰

4.58 Dr Sue Outram and Mr Andrew Zdenkowski submitted that truncating the rail line at Wickham 'goes against the Urban Renewal philosophy and is contrary to the State government's strategy to increase the use of public transport'.¹⁷¹ They insisted that 'greater incentives to use public transport are needed, not fewer'.¹⁷²

Patronage statistics

4.59 A related concern raised during inquiry was that the decision to truncate the heavy rail was based on inaccurate patronage statistics. Professor Dick contended that 'evidence-based decision making on the rail issue has been vitiated from the beginning by the lack of accurate station statistics'.¹⁷³ He stated:

Proponents of cutting the rail (none of whom are known to be regular rail users) have always derided rail patronage as part of their propaganda. This has been made easier by the lack of good statistics, variation by time of day/week/season, and the practical reality that trains are not meant to be full when entering or leaving the terminus because there has to be room for passengers boarding or alighting down the line. Ticket-based figures understate. The only reliable method is all-day count at the gate with allowance for weekly and seasonal fluctuations (e.g. school terms, beachgoers). I am not aware that this has been done for Newcastle, Civic or Wickham stations.¹⁷⁴

4.60 Similarly, Ms Antcliff submitted that the *Newcastle City Centre Renewal Report*, which recommended truncation of the heavy rail line (as noted in chapter 2), did not take into account all rail passengers:

... the report did not take into account the number of passengers who travel by train but are not counted in passenger numbers because they are unable to purchase a ticket. There are no ticket machines at Scone, Aberdeen, Muswellbrook, Singleton, Branxton, Greta or Lochinvar Stations and the ticket offices at Muswellbrook and Singleton are not open after 5.30 p.m. As 3 of the 4 trains travelling down the Hunter Valley from these stations depart at times before or after the ticket offices are open

¹⁶⁹ Submission 23, Ms Veronica Antcliff, p 10.

¹⁷⁰ Submission 6, Name suppressed, p 3.

¹⁷¹ Submission 21, Dr Sue Outram and Mr Andrew Zdenkowski, p 1.

¹⁷² Submission 21, Dr Sue Outram and Mr Andrew Zdenkowski, p 1.

¹⁷³ Submission 220, Professor Howard Dick, p 6.

¹⁷⁴ Submission 220, Professor Howard Dick, p 6.

most people travelling from these stations are not counted in the passenger numbers.¹⁷⁵

4.61 Ms Antcliff further suggested that patronage on the Hunter Valley rail line is increasing, commenting that since 2009 a four car train is now used during peak hours between Maitland and Newcastle and residents of Singleton have been campaigning for more train services due to many having to stand on their journeys between Singleton and Newcastle.¹⁷⁶

4.62 The Hunter Communities Network also submitted that there 'has been no comprehensive survey conducted about the use of the rail into Newcastle by commuters from Scone, Muswellbrook, Singleton, Maitland, Dungog and the Central Coast.'¹⁷⁷

4.63 In response to this issue, Mr Paul Broad, Chairman, Hunter Development Corporation, asserted that the majority of travel in the Hunter is by car:

We cannot lose sight of the fact that while we have the railway line, the majority of travel is by car. I think 95 per cent of movements in the Hunter are by car. I know that does not sit well with some members of the Committee but that is the truth.¹⁷⁸

Increased use of cars

4.64 A number of inquiry participants predicted an increase in the use of cars as a direct consequence of terminating the rail line at Wickham, resulting in increased traffic congestion and parking issues. For example, Mr Sansom asserted: 'If public transport use fall by at least 23% percent then it will be clear that those who abandon public transport will use their cars. This will make traffic problems worse'.¹⁷⁹

4.65 In discussing the challenge commuters already face making connections between services, Ms Leonie Crennan told the committee she would have no other option but to drive if the rail line into Newcastle was truncated:

It is already a challenge to ensure that the ferry connects with the train to Sydney. If we were forced to catch a bus or 'light rail' from Newcastle to Wickham to then try and connect with the train on time, the journey to Sydney would be too long and time consuming to be feasible. This would force us to drive ... another car on the road.¹⁸⁰

4.66 Likewise, Drs Ticehurst and Ticehurst predicted the same outcome for commuters needing to negotiate multiple interchanges, particularly those who use the ferry: 'What about the ferry connectivity? This drains a large group of potential public transport users who will now have to negotiate a 3rd or 4th interchange to get further afield. Most will just drive, avoiding the city'.¹⁸¹

¹⁷⁵ Submission 23, Ms Veronica Antcliff, p 1.

¹⁷⁶ Submission 23, Ms Veronica Antcliff, p 2.

¹⁷⁷ Submission 228, Hunter Communities Network, p 1.

¹⁷⁸ Evidence, Mr Paul Broad, Chairman, Hunter Development Corporation, 7 November 2014, p 13.

¹⁷⁹ Submission 47, Mr Peter Sansom, p 2.

¹⁸⁰ Submission 126, Ms Leonie Crennan, p 1.

¹⁸¹ Submission 1, Dr Stephen Ticehurst and Dr Rhonda Ticehurst, p 7.

- 4.67 Indeed, Ms Wendy Wales concluded that driving – although undesirable – would be the ‘better’ option, given the multiple interchanges she would have to make:

Driving means this time is unproductive, polluting and takes up road and parking space. Driving to Sydney, which is clearly a better option than catching a train to Hamilton, bus to Broadmeadow and train to Sydney, means I arrive tired, again add to traffic congestion and parking problems and drive home tired.¹⁸²

- 4.68 Mr Amos expressed the view that even the most determined of commuters may revert to driving if public transport proved too hard and inconvenient: ‘Commuters only need to have a couple of bad experiences on cold, wet winter evenings and they will be back in their cars’.¹⁸³

Impact on traffic congestion

- 4.69 The impact on traffic congestion from the expected increase in the use of cars following truncation of the rail was highlighted by numerous stakeholders, such as Two More Trains for Singleton:

The effect of the Newcastle line closure will be to increase road traffic and congestion in inner Newcastle at the same time as taking away an effective alternative. With major traffic generating uses such as the law courts and university being developed nearby with no parking facilities, public transport is the only realistic alternative, and metropolitan rail systems underpin effective public transport networks in congested urban areas.¹⁸⁴

- 4.70 Drs Ticehurst and Ticehurst similarly questioned the impact of cutting the rail on traffic, noting it currently takes 3,500 rail trips to meet current requirements, which does not even take into account the new developments being built in the CBD:

Just how improved traffic at Stewart Avenue will be is not clear when the traffic from Railway Street, and the light rail, and shuttle buses along with increased pedestrian activity are thrown into the mix. There will be 3,500 rail trips to be done some other way just to maintain current access. If these are done by car the travel times won’t be improved. There is no accounting for the increased traffic with new University, resident, Law courts etc.¹⁸⁵

- 4.71 Mr Gary Jones suggested that the increase in traffic would even have a negative impact on public transport: ‘Some most likely they will drive their car into Newcastle, with more cars on the road, a bus would get stuck in traffic and would take longer to get there into Newcastle’.¹⁸⁶

- 4.72 While acknowledging the challenge in addressing traffic concerns, Mr Peter Anderson, Head of Wholesale, Projects Division, UrbanGrowth NSW, told the committee that removing the rail line was necessary to improve pedestrian access and increase traffic flow by freeing up roads for movement:

¹⁸² Submission 82, Ms Wendy Wales, p 2.

¹⁸³ Submission 86, Mr Andrew Amos, p 7.

¹⁸⁴ Submission 59, Two More Trains for Singleton, p 2.

¹⁸⁵ Submission 1, Dr Stephen Ticehurst and Dr Rhonda Ticehurst, p 4.

¹⁸⁶ Submission 45, Mr Gary Jones, p 1.

You hear the stories about how long people have to wait to cross the crossings there at George Street and others with regards to it, but the ability to remove the rail means there is an opportunity to actually reconnect the roads and get the grid patterns back in place as well as allow the vehicular movements, pedestrian and cycling movements back into the CBD to actually activate it.¹⁸⁷

- 4.73** However, this was challenged by Mr Kevin Harrison who noted that the Railway Street crossing is proposed to be closed and suggested that traffic would then be diverted to Stewart Avenue which would be impacted by further delays once the light rail is built:

Another reason for cutting the heavy rail at Wickham is that it will relieve peak hour congestion at the Stewart Ave rail crossing because the railway barriers hold up the traffic. The small amount of detail that we have on the proposal reveals that the near by Railway St crossing will be closed. This means that most of the traffic that now uses the Railway St route will be diverted to the Stewart Ave one. There will also be one light rail journey every ten minutes. Given the location of the proposed interchange these light rail vehicles will have to cross Stewart Ave at the same place that the heavy rail does now. From 7 am to 7 pm the current timetables show 25 heavy rail trips west and 21 east. That means about one rail crossing every 15 minutes. So I cannot see there will be any improvement here. More likely there will be longer delays.¹⁸⁸

Parking

- 4.74** Some inquiry participants highlighted the issue of parking within the city centre and how this would likely be magnified following the truncation of the railway and an increase in car usage. Concern in particular was expressed about the limited parking at the new law courts and university campus.¹⁸⁹ The committee was informed that the university proposes to have five on-site car parking spaces at its CBD campus and another 20 parking spaces within the Laman Street car parking zone.¹⁹⁰
- 4.75** One submission author, for example, described the appeal of driving but recognised the current issue of parking deficiencies that they believed would only get worse:

Many commuters from places as diverse as the Upper Hunter, Sydney and Gosford will instead drive their cars into the heart of Newcastle. Private car is already faster than the train and the need to change onto a bus when you are 'almost there' will only make the private car more enticing. In turn this will exacerbate the already existing parking deficiencies in the Newcastle CBD and have adverse environmental impacts for the community at large.¹⁹¹

- 4.76** The Planning Institute Australia suggested that adequate planning measures have not been put in place and cautioned that parking would continue to be a significant issue in the city centre:

¹⁸⁷ Evidence, Mr Peter Anderson, Head of Wholesale, Projects Division, UrbanGrowth NSW, 24 November 2014, p 40.

¹⁸⁸ Submission 34, Mr Kevin Harrison, p 5.

¹⁸⁹ See for example submission nos 59 and 312; Public forum, Ms Sharrock, 21 November 2014, p 12; Evidence, Dr Graham Boyd, Secretary, Hunter Commuter Council, 21 November 2014, p 72.

¹⁹⁰ Evidence, Mr Nat McGregor, Chief Operating Officer, University of Newcastle, 21 November 2014, p 3.

¹⁹¹ Submission 6, Name suppressed, p 3.

The likely impact on car parking availability in Newcastle, currently already well-recognised as poor, needs to be fully understood and analysed. Ignoring this issue in light of other developments such as the new law courts and Newcastle University City Campus, both of which have minimal parking, suggests a lack of a proper planning process that takes account of both the rail and wider implications for Newcastle.¹⁹²

4.77 This view was reflected by another submission maker who concluded that traffic management, including plans for parking, has not been properly addressed to account for all the developments proposed for the city:

... there is no hint of an integrated traffic management plan, of how the city would cope with additional traffic generated by the city university ... or the proposed high rise developments, or continuing organic renewal.

Traffic and parking in the city is already approaching crisis. Existing residential and commercial development has failed to go hand in hand with the provision of additional parking or public transport.¹⁹³

Legal capacity to close railway line

4.78 In New South Wales the closure and disposal of railway lines is governed by specific legislation. The legislation is the *Transport Administration Act 1988*. Section 99A of the Act provides:

- (i) A rail infrastructure owner must not, unless authorised by an Act of Parliament, close a railway line.
- (ii) For the purposes of this section, a railway line is closed if the land concerned is sold or otherwise of or the railway tracks and other works concerned are removed.
- (iii) For the purposes of this section, a railway line is not closed merely because a rail infrastructure owner has entered into an ARTC arrangement or lease or other arrangement in respect of it pursuant to an agreement entered into by the Commonwealth and the State.

4.79 The Act was referred to by some inquiry participants, such as Mr Budd who told the committee:

... a railway in New South Wales cannot be closed except by an Act of Parliament. No such act has been passed since the 1960s. Since then many rail lines in the state – country branch lines – have had their services withdrawn, but they have not been legally closed. Importantly the rails and sleepers cannot be removed without closure by way of an Act of Parliament. As a result, the many ‘closed’ railway lines throughout country New South Wales remain intact but in a derelict state.¹⁹⁴

¹⁹² Submission 312, Planning Institute of Australia, p 3.

¹⁹³ Submission 98, Name suppressed, p 2-3.

¹⁹⁴ Submission 225, Mr Dale Budd, p 4.

4.80 The submission from Hunter Transport for Business Development also noted that ‘the Transport Administration Act prohibits the removal of railway lines without parliamentary authorisation’.¹⁹⁵

4.81 Similarly, Save Our Rail commented:

... s 99A of the Transport & Administration Act requires the ‘Act of Parliament’ for the closing of ‘railway or rail line’. If the government does introduce legislation to cut the rail line it would enable the decision to be fully debated in the parliament.¹⁹⁶

4.82 We note the concerns raised in submissions as to the capacity of the government to remove the railway line given the terms of s 99A of the *Transport Administration Act*. However, the committee has not been furnished with authoritative legal advice on this matter and is unable to draw a conclusion in this regard.

Committee comment

4.83 The committee notes the overwhelming opposition expressed by inquiry participants to the decision to terminate the electric railway line at Wickham and the proposal to construct light rail along Hunter Street, and acknowledges the wide range of arguments presented against truncation.

4.84 Many stakeholders felt that the existing rail line is a critical piece of public transport infrastructure to support a growing Newcastle and the broader Hunter region. In particular, the new city campus of the University of Newcastle, the new law precinct and the proposed residential and commercial developments at the GPT/UrbanGrowth NSW site were all identified as developments that enhance the importance of the rail line to support the future growth of the city.

4.85 The committee is mindful that inquiry participants have questioned the value of terminating the heavy rail line and replacing it with a similar and arguably inferior service. In particular, the committee notes concerns over the significant impact on commuters and the potential loss in public transport patronage if truncation were to proceed. The likely increase in the use of cars, and thus traffic congestion and parking in and around the city centre, is also recognised as a major issue.

4.86 The committee accepts that the balance of evidence presented to us was that the removal of the rail line would create significant negative outcomes for the city’s and the region’s transport network.

4.87 As with the issues raised in chapter 3, the committee will factor all of these arguments into account as it makes its recommendations throughout this report.

¹⁹⁵ Submission 282, Hunter Transport for Business Development’, p 10.

¹⁹⁶ Submission 329, Save Our Rail NSW Inc., p 18.

Community consultation and surveys

4.88 Concerns were raised during the inquiry about the community consultation process and surveys conducted to gauge the level of support for the rail truncation. The following sections consider these concerns.

Public consultation process

4.89 A key theme during the inquiry was the level and adequacy of the public consultation process regarding the truncation of the rail line and the proposed light rail route.

4.90 According to Ms Bronwyn McDonald, ‘the nature of the decision making involved in planning to cut the Newcastle intercity rail line was not carried out according to proper community consultation processes; [and] does not satisfactorily address wider community interests’.¹⁹⁷

4.91 Concerns about process were also raised by Ms Dawson from Save Our Rail NSW, who said: ‘We have relied on the Government to undertake the proper processes but that has not been done here. There has been very inadequate consultation ...’¹⁹⁸

4.92 Dr Graham Boyd, Secretary, Hunter Commuter Council likewise contended that there has been inadequate public consultation, claiming:

... the Government has taken a position of secrecy, making only segments of what they are planning to do for urban renewal and transport services in Newcastle available for consideration and this has made it impossible to know what is ultimately intended.¹⁹⁹

4.93 The Hunter Regional Committee of the National Trust of Australia (NSW) stated that even though rail truncation formed part of the Newcastle Urban Renewal Strategy, which was open to consultation, public consultation on that aspect of the strategy was not permitted:

The removal of the heavy rail line from Wickham to Newcastle formed part of the Newcastle Urban Renewal Strategy (2012). The NURS was subject to a period of public exhibitions during late 2012-early 2013. However, the removal of the rail line and establishment of a Wickham interchange were the only aspects of the strategy that were non-negotiable and for which submissions were not permitted. It was argued that public consultation had already occurred and a final decision had been made. There was no public consultation and no period for public submissions. However, a large proportion of the submissions for the draft NURS did address this issue and objected to the removal. Presumably they were ignored.²⁰⁰

¹⁹⁷ Submission 16, Ms Bronwyn McDonald, p 3.

¹⁹⁸ Evidence, Ms Dawson, 7 November 2014, p 76.

¹⁹⁹ Evidence, Dr Boyd, 21 November 2014, p 69.

²⁰⁰ Submission 314, Hunter Regional Committee of the National Trust of Australia (NSW), p 2.

- 4.94** The Hunter Communities Network told the committee that ‘residents in the Upper Hunter who are regular users of the train service into Newcastle were not consulted when the decision was made to truncate the line on Boxing Day 2014.’²⁰¹
- 4.95** The NSW Government informed the committee that when the potential termination of the rail line at Wickham was canvassed in the 2009 Newcastle City Centre Renewal report, the report was placed on public exhibition for eight weeks and submissions were received and considered.²⁰²
- 4.96** The government advised that rail truncation was again raised during the Long Term Transport Master Plan and Hunter Regional Transport Plan consultation.²⁰³
- 4.97** The process undertaken by the government was supported by Mr Robert Monteath, who noted that the decision to truncate the rail line ‘came about after consultation with the public at forums and noting submissions from the Community.’²⁰⁴
- 4.98** A number of inquiry participants nonetheless contended that even though many community members had voiced significant concerns about the truncation of the rail, those concerns had been ignored, compared to the voices of property developers which they felt had been listened to. For instance, Mrs Grace said:
- ... the process has certainly left many residents feeling powerless as any opinion opposing the truncation of the line is bundled into the “anti-progress box” and cast aside without consideration, as if unheard. Many residents hold the view that the rail line should stay ... but our voices are clearly less powerful and less valued than those in the building and construction industry.²⁰⁵
- 4.99** This point was echoed by another inquiry participant who declared: ‘[T]he residents of Newcastle are being treated as fools as discussions and decisions about the future of our City are seemingly made after consultation with development interests rather than with residents.’²⁰⁶
- 4.100** Similarly, Mr Christopher Dodds commented: ‘It seems to me that out of all the voices listened to that those of the patrons of the public transport system connecting Sydney to Newcastle have been listened to the least.’²⁰⁷
- 4.101** The level of community opposition to the truncation was illustrated by Ms Dawson who told the committee that before the announcement of the truncation, there was a town hall meeting at which ‘90 per cent of the people attending indicated that they would like to keep the rail line running into Newcastle.’²⁰⁸ In addition, Save Our Rail noted that a petition of over 11,000 signatures opposing the truncation was tabled in Parliament on 21 November 2013.²⁰⁹

²⁰¹ Submission 228, Hunter Communities Network, p 1.

²⁰² Submission 253, NSW Government, p 17.

²⁰³ Submission 253, NSW Government, p 17.

²⁰⁴ Submission 27, Mr Robert Monteath, p 2.

²⁰⁵ Submission 156, Mrs Cecily Grace, p 1.

²⁰⁶ Submission 98, Name suppressed, p 2.

²⁰⁷ Submission 25, Mr Christopher Dodds, p 1.

²⁰⁸ Evidence, Ms Dawson, 7 November 2014, p 76.

²⁰⁹ Submission 329, Save Our Rail NSW Inc., p 9.

- 4.102** Following the decision to truncate the rail line and locate a new transport interchange at Wickham, UrbanGrowth NSW and Transport for NSW conducted community consultation sessions on short-listed light rail routes (as outlined in chapter 2 at 2.49-2.52)²¹⁰ Mr Anderson, outlined this process to the committee: ‘Over 60 stakeholders attended the engagement forums and approximately 300 community members visited the community information sessions.’²¹¹
- 4.103** Mr Peter Chrystal, Director of Planning and Regulatory, Council of the City of Newcastle, expressed the view that the consultation process was adequate: ‘There was, I understand, three or four months of that route option being open for public comment and then the matters and submissions were taken on board by Transport for NSW and UrbanGrowth. I would say that three months as a public exhibition period is longer than normal.’²¹²

Concerns about community consultation sessions

- 4.104** A number of concerns were raised in regard to the community consultation sessions organised by UrbanGrowth NSW and Transport for NSW.
- 4.105** One such concern involved how the sessions were advertised to the community. Local Living Dungog, for instance, complained that neither they nor any of their members were formally invited to participate in the consultation process:

Members of Local Living Dungog are in touch with matters relating to public transport, and it is only via approaches by other community groups that we received information of proposed changes to the rail line. In Dungog, neither our group as a whole or any of our members were invited to participate in formal community consultations, and we never came across or nor can find any local evidence of advertisements, posters, community information, letterbox drops or information at railway stations that would need to be undertaken in accordance with requirements of the Infrastructure State Environmental Planning Policy (SEPP) during the public display of the REF.

Indeed the only community consultation in the whole region noted by our members was one poster spotted by a commuter from Dungog at Hamilton Station, whereas regular travellers to Newcastle city saw no such posters.²¹³

- 4.106** Similarly, Mr Brian Kelly told the committee that he attended one of the two community information sessions, and said: ‘I heard of that, as did one of the previous speakers, by word of mouth, not through direct communication.’²¹⁴
- 4.107** Mr Anderson informed the committee that in undertaking the consultation, local councils were briefed and industry and local business stakeholders were invited to workshops to

²¹⁰ Submission 253, NSW Government, p 19.

²¹¹ Answers to questions on notice, Mr Peter Anderson, Head of Wholesale, UrbanGrowth, 4 December 2014, p 1.

²¹² Evidence, Mr Peter Chrystal, Director of Planning and Regulatory, The City of Newcastle, 7 November 2014, p 35.

²¹³ Submission 288, Local Living Dungog, p 2.

²¹⁴ Public forum, Mr Brian Kelly, 21 November 2014, p 16.

provide feedback on the proposed routes. Similar forums were offered to community groups in Newcastle and Maitland through three ‘community drop-in sessions’.²¹⁵ He outlined how those sessions were advertised:

Ads were placed in the Newcastle Herald on 27 February 2014 and Maitland Mercury on 28 February 2014. A flyer inviting people to the community drop-in sessions and informing them of the online survey was distributed to all workshop attendees and hand delivered to businesses (cafés and retailers, as well as information stands in Newcastle and Maitland council offices). The flyer was also handed out to passers-by in Wharf Road, Hunter Street, Wheeler Place and Newcastle Station. A media release was distributed to all Hunter media outlets as well as Sydney metropolitan media.²¹⁶

4.108 Another concern about the community drop-in sessions, raised by Mr Kelly, was the lack of consultation facilitated at the sessions, which were instead described as ‘information sessions’:

It was organised by GPT and UrbanGrowth in what appeared to be in an attempt to tick the community consultation box. They were quickly scheduled three days prior to the closing date for the receipt of submissions. Those who attended were told very clearly that these were information sessions, not community consultation sessions. We were given a lecture with images but very little opportunity for questions. We were given handouts ... Furthermore, there was no clear explanation of the changes and no other options presented, and no opportunity, really, to debate and discuss the rationale behind them.²¹⁷

4.109 The constraints on debate at the session were also highlighted by Drs Ticehurst and Ticehurst, who remarked: ‘It was apparent there was to be no discussion of the negatives.’²¹⁸

4.110 The actual information itself provided at the sessions was also criticised, with Mr Sansom declaring: ‘They should have been called no information sessions! No-one could give any details about traffic flows, where buses would run, what provisions would be for the disabled or indeed how the new arrangements would work.’²¹⁹

4.111 Inquiry participants said that discussion of the rail truncation at the sessions was prohibited, even though many of those present wished to talk about it.²²⁰ The committee heard that when one woman began asking about the heavy rail, the microphone was switched off to prevent her from continuing.²²¹

4.112 Discussion on the proposed light rail route, on the other hand, was permitted; however, the committee heard that that discussion was also limited. Mr Squire commented:

²¹⁵ Answers to questions on notice, Mr Anderson, p 1.

²¹⁶ Answers to questions on notice, Mr Anderson, p 1.

²¹⁷ Public forum, Mr Kelly, 21 November 2014, p 16.

²¹⁸ Submission 1, Dr Stephen Ticehurst and Dr Rhonda Ticehurst, p 1.

²¹⁹ Submission 47, Mr Peter Sansom, p 3.

²²⁰ See for example Submission 126; Evidence, Ms Joan Dawson, President, Save Our Rail NSW Inc., 7 November 2014, p 76; Evidence, Dr Graham Boyd, Secretary, Hunter Commuter Council, 21 November 2014, p 70; Evidence, Mr Alan Squire, Convenor, Hunter Transport for Business Development, 21 November 2014, p 64.

²²¹ Submission 47, Mr Peter Sansom, p 3; Evidence, Ms Dawson, 7 November 2014, p 76.

[The consultation session] was about what route the light rail should take. Of course, we were getting Hobson's choice here; we are getting only routes that do not include running it all the way down the corridor; they are all Hunter Street routes. The facilitator tried to suppress that discussion ...²²²

- 4.113** Other concerns heard by the committee, raised by Ms Leonie Crennan, involved the survey conducted at the sessions and the lack of updates regarding the process:

... I attended a community consultation event regarding "revitalising" the CBD. We were encouraged to fill out a survey form. The questions were skewed to support light rail (or no rail). There was no question whether or not we wanted the heavy rail to be truncated and replaced by light rail ... The form includes a section that asks us how we want to be updated on the process. I have never received any update. The next thing I hear is in the media, the government announcing the heavy rail is to be truncated on Boxing Day 2014.²²³

Hunter Valley Research Foundation survey

- 4.114** Concerns were also raised about a survey into attitudes towards redevelopment of the Newcastle CBD, conducted by the Hunter Valley Research Foundation in November 2008.²²⁴

- 4.115** Ms Kim Cross, Vice President, Save Our Rail NSW expressed the view that questions used by the survey were designed to influence the results:

It is a push poll. The question is: Do you think that terminating the rail line at Wickham and replacing it with an efficient, modern bus transit system, thereby allowing the connection of the CBD and harbour foreshore, would help to develop the city? Not only was it a push poll question but in relation to the responses there was an inbuilt bias. The reason being, there was one option for lack of support and four options for supporting the question.²²⁵

- 4.116** Similarly, Mr Alan Squire, Convener, Hunter Transport for Business Development, considered the survey was 'swayed' in a particular direction:

If you have a sample in which 80 per cent of the people live in Merewether and other suburbs not related to the rail, and no-one is included from Maitland or Lake Macquarie, and you have got four opportunities to support the truncation of rail decision and one not to, that is a survey which is swayed in a direction and I am surprised that the Hunter Research people produced that.²²⁶

- 4.117** Such concerns were rejected by Ms Kristen Keegan, Chief Executive Officer, Hunter Business Chamber, who asserted that 'the Hunter Valley Research Foundation ... is a highly regarded,

²²² Evidence, Mr Squire, 21 November 2014, p 64.

²²³ Submission 126, Ms Leonie Crennan, p 2.

²²⁴ The research conducted by Hunter Valley Research Foundation was prepared for The GPT Group (Hunter Valley Research Foundation, *Attitudes Toward Redevelopment of the Newcastle CBD: Survey of Residents in the Newcastle Electorate*, November 2008, p 1).

²²⁵ Evidence, Ms Kim Cross, Vice President, Save Our Rail NSW Inc, 7 November 2014, p 77.

²²⁶ Evidence, Mr Squire, 21 November 2014, p 62.

independent organisation and to provide that particular slur to that research institution is simply unacceptable.²²⁷

Other polls and surveys

4.118 In contrast to the Hunter Valley Research Foundation survey, a number of inquiry participants highlighted the results of polls conducted in the media indicating support for retaining the rail line. Mr Amos collated the following results of polls undertaken by Local Newcastle media:

Polls conducted by local media have consistently rejected the rail truncation decision and light rail proposal. These polls include:

- Poll by NBN TV 13 December 2012 found 69% of respondents did not agree with the government's decision to cut the rail line
- Poll by the Newcastle Herald over weekend of 15-16 December 2012 found 65% of respondents were more pessimistic about the future of Newcastle as a result of the decision to cut the rail line
- Poll by Maitland Mercury in December 2013 found that 72.8% of respondents did not agree that light rail was the right transport option
- Poll by the Newcastle Herald in May 2014 found that 72.7% of respondents did not like the hybrid route for the proposed light rail which involves running the light rail on Hunter and Scott Streets.²²⁸

4.119 Hunter Environment Lobby Inc. also highlighted a more recent poll conducted in August 2014 by the Newcastle Herald that indicated that the truncation of the rail line is a major issue, with 72 per cent of respondents voting in favour of keeping the rail line.²²⁹

4.120 A survey of 733 rail users commissioned by Community Too Inc. and conducted by Coppice Research found that 63.2 per cent of respondents opposed the cuts to rail services. Thirty two per cent of respondents that supported the cuts, of which 44 per cent said they would not be impacted by the cuts and would not have to change their daily patterns as a result.²³⁰

Committee comment

4.121 The committee notes the concerns regarding the adequacy of the public consultation process on the decision to truncate the heavy rail.

4.122 We acknowledge that rail truncation was canvassed in the *Newcastle City Centre Renewal report*, Long Term Transport Master Plan and Hunter Regional Transport Plan, however, note that a significant number of community members opposed the truncation and felt that their concerns had not been listened to.

4.123 The committee also notes the concerns raised about the community consultation sessions, particularly the suggestion that limited, if any, actual consultation occurred due to the

²²⁷ Evidence, Ms Kristen Keegan, Chief Executive Officer, Hunter Business Chamber, 21 November 2014, p 61

²²⁸ Submission 96, Mr Andrew Amos, p 2.

²²⁹ Submission 298, Hunter Environment Lobby Inc, p 2.

²³⁰ Submission 280, Community Too Inc., p 2 and p 8.

constraints on questions and debate. The committee believes that genuine community consultation is essential for decisions that affect communities, especially decisions that involve a significant impact such as removing a major piece of transport infrastructure. We urge the government to ensure that adequate community consultation occurs in any future decisions regarding planning in Newcastle and will make recommendations in this regard in chapter 5 and in our final report.

- 4.124** The evidence before the committee makes it clear that there is no polling or public consultation process in support of truncating the rail line that is accepted as a legitimate expression of the views of the people who will be impacted by the removal of the rail line. The government's failure to engage the community in an open and transparent manner so as to gauge their views on the proposed removal of the rail line has fostered a divisive debate in the community on the issue. This is seen by the committee as a significant failing in the decision making process and greatly undermines the legitimacy of the current plans.

Cost benefit analysis

- 4.125** Significant concern was raised during the inquiry regarding the cost benefit analysis contained in the 2009 *Newcastle City Centre Renewal* report. Concerns were also raised that the government has not provided any other cost benefit analysis or business case for the rail truncation, Wickham Interchange or light rail projects.

Concerns with the Urbis cost benefit analysis

- 4.126** As mentioned in chapter 2, the Hunter Development Corporation produced the *Newcastle City Centre Renewal: Report to NSW Government*. The report included a cost benefit analysis provided by a consultant, Urbis, on retaining the current rail and constructing an overpass over Stewart Street, or terminating the rail west of Stewart Avenue.²³¹
- 4.127** According to the report, the Net Present Value of retaining the rail line (with additional pedestrian crossings and Stewart Avenue overpass) would be -\$182.2 million (under a discount rate of seven per cent), compared to the corporation's preferred option of removing the rail line west of Stewart Avenue, which would result in a Net Present Value of +\$163.4 million.²³²
- 4.128** Concern was raised that the cost benefit analysis was based on 'false assumptions'²³³ in regard to the University of Newcastle's CBD campus. The report listed the campus as one of two 'catalyst projects' that were relying on the rail line being cut:

The costs and benefits that would accrue under the preferred rail option are those costs and benefits which are associated with the catalyst projects that are contingent on or strongly influenced by the removal of the rail – these are: the Retail Precinct (GPT's development) and the Education Precinct (University of Newcastle CBD campus).²³⁴

²³¹ Submission 253, NSW Government, p 17.

²³² Hunter Development Corporation, *Newcastle City Centre Renewal: Report to NSW Government*, p 6.

²³³ Submission 282, Hunter Transport for Business Development, p 1.

²³⁴ Hunter Development Corporation, *Newcastle City Centre Renewal: Report to NSW Government*, p 59.

4.129 However, inquiry participants pointed out that the university's decision to develop a CBD campus was not contingent on the rail line, as it did not have a view on the truncation. This was confirmed by Mr Nat McGregor, Chief Operating Officer, University of Newcastle, who informed the committee that '[t]he railway line never came into the business case' for the inner city campus.²³⁵ Mr McGregor commented:

... we have always said that we will work with whatever public transport system is there at the time. That has been our planning – to be able to work with the heavy rail line being there, the heavy rail line being truncated and an interchange, a light rail solution, and even in the interim period, if that were to occur, interim bus solutions.²³⁶

4.130 Mr Alan Squire, Convenor, Hunter Transport for Business Development, asserted that the Urbis cost benefit analysis was therefore 'simply wrong'.²³⁷ Save Our Rail went even further to claim that the cost benefit analysis was 'flawed – not only is it flawed but it is also deceptive'.²³⁸

4.131 Mr John Sutton expressed concern that the *Newcastle City Centre Renewal* report continues to be used and relied upon 'as though it is still a credible document when it is based entirely on a discredited analysis that has literally hundreds of millions of dollars of errors in it stacked up against retaining the rail line'.²³⁹

4.132 These concerns were downplayed by Mr Richard Anicich, Immediate Past President, Hunter Business Chamber, who suggested the issue was 'irrelevant' given that the university campus is proceeding:

... the fact is that whether or not in 2009 and whenever this analysis was being undertaken the university's plans were contingent or not contingent on anything around the rail in my respectful submission now is irrelevant because the university has now committed to spend those funds and is in the process of doing so.²⁴⁰

4.133 According to Professor Dick, there are a range of other weaknesses with the Urbis cost benefit analysis, which he described as 'false assumptions' and 'distortions'.²⁴¹ These are summarised as follows:

- the assumption that GPT's retail project will be a net benefit to the Hunter region is false as GPT itself will not be paying for the relocation of the infrastructure, and the claimed benefit is 'greatly overstated'
- the proposition that cutting the rail would generate savings in travel time is incorrect

²³⁵ Evidence, Mr McGregor, 21 November 2014, p 5.

²³⁶ Evidence, Mr McGregor, 21 November 2014, p 6.

²³⁷ Evidence, Mr Squire, 21 November 2014, p 62.

²³⁸ Evidence, Ms Cross, 7 November 2014, p 78.

²³⁹ Evidence, Mr John Sutton, former councillor, The City of Newcastle, 21 November 2014, p 70.

²⁴⁰ Evidence, Mr Richard Anicich, Immediate Past President, Hunter Business Chamber, 21 November 2014, p 58.

²⁴¹ Tabled document, Professor Howard Dick, Faculty of Business and Economics, University of Melbourne, *Why the HDC Urbis Cost-Benefit Study is Invalid*, updated 24 March 2010, p 1.

- the suggestion that retaining the rail line would necessarily require a new station at the Mall is a distortion of costs and should be excluded from the analysis
- the suggestion that terminating the rail line would save two minutes in north-south vehicle transit time is a distortion as not all vehicles crossing the rail line are delayed by trains, and vehicles will still face delays at other intersections
- there is no evidence that keeping the rail line open would result in inflated costs of signalling and the savings in labour and maintenance costs for shutting down the manual boxes at Wickham, Civic and Newcastle do not appear to have been taken into account
- the assertion that the \$77 million Stewart Avenue overpass is essential should the line be kept open is problematic as the prime cause of delays at Stewart Avenue are the traffic lights at Wharf Road, Hunter and King Streets
- \$20 million of contingencies have been built into the costs of keeping the rail line open, but have not been built into the report's preferred option of truncating the line.²⁴²

4.134 Professor Dick argued that the cost benefit analysis also contains a number of omissions relating to increases in travel time for rail and bus journeys, the cost of extra buses and the increased congestion impact upon motorists and parking. Further, he submitted that there is a lack of transparency regarding cost breakdowns for the Wickham interchange and rail operating costs,²⁴³ and concluded: 'It is absolutely a shoddy piece of work that simply does not stand-up to scrutiny.'²⁴⁴

4.135 Dr Bruce McFarling, Visiting Professor in Economics, International College Beijing, China Agricultural University, similarly identified what he perceived to be 'multiple flaws' with the Urbis cost benefit analysis. He highlighted two of those to the committee, relating to the omission of alternative options and the lack of a scientific transport study of future impacts from CBD development:

The first [flaw] was that several of the most promising alternatives were omitted. For example, a heavy rail overpass at Stewart Avenue was included, which will necessarily score badly on a cost-benefit basis since the primary problem at Stewart Avenue is not the rail crossing but the Hunter and King streets intersection, which become gridlocked during peak travel. New level crossings at Steel Street or Worth Place, which would be far more accepted and improve access at these gridlocked intersections, was ignored as an option. Even worse, the alternative analysis was based on only a partial understanding of transport impacts of the alternative, as the HDC analysis did not incorporate a scientific transport study of the impact of future development upon the capacity of the Newcastle CBD road network.²⁴⁵

²⁴² Tabled document, *Why the HDC Urbis Cost-Benefit Study is Invalid*, pp 1-3.

²⁴³ Tabled document, *Why the HDC Urbis Cost-Benefit Study is Invalid*, p 4.

²⁴⁴ Evidence, Professor Dick, 21 November 2014, p 76.

²⁴⁵ Evidence, Dr Bruce McFarling, Visiting Professor in Economics, International College Beijing, China Agricultural University, 24 November 2014, p 54.

Other documents and cost benefit analyses

- 4.136** On 23 October 2014, Dr Mehreen Faruqi MLC, moved a motion in the Legislative Council to order the production of papers relating to planning in Newcastle and the Hunter. Among other materials, the motion ordered the production of the following documents regarding the Wickham Interchange, heavy rail and light rail in the Newcastle CBD:
- URS Australia Pty Ltd [URS], 2014a Preliminary Environmental Review, Newcastle Urban Renewal and Transport Program prepared for Transport for NSW April 2014
 - URS, 2014b Newcastle Urban Renewal and Transport Program, Newcastle Heavy Rail Scoping Report, prepared for Transport for NSW, May 2014
 - URS, 2014c, Newcastle Urban Renewal and Transport Program, Newcastle Heavy Rail Truncation Definition Report, prepared for Transport for NSW, July 2014
 - URS Australia Pty Ltd 2014d, Report Heavy Rail Truncation, Preliminary Environmental Site Assessment, prepared for Transport for NSW, May 2014
 - Newcastle Urban Renewal and Transport Program – Stage 1 Final Business Case and the 18 appendices to this document
 - GHD 2014 Newcastle Light Rail – Options Identification and Initial Feasibility Assessment Study, Transport for NSW
 - GHD 2014 Newcastle Light Rail – City Centre Traffic Modelling Services – Light Rail Alignment Options Assessment, Transport for NSW
 - GHD 2014 Newcastle Light Rail – City Centre Traffic Modelling Services – Microsimulation Model Calibration and Validation Report, Transport for NSW
 - any cost-benefit analysis, traffic study and patronage loss study for the Wickham Interchange project
 - any cost-benefit analysis for the light rail project.²⁴⁶
- 4.137** None of these documents, however, were provided when the return to order was received on 6 November 2014.
- 4.138** As such, Dr Faruqi asked the Clerk of the Parliaments to inquire into the reasons why these documents were not released.²⁴⁷
- 4.139** The Deputy General Counsel of the Department of Premier and Cabinet advised that Transport for NSW had reviewed its files to determine whether it held ‘any documents, other than Cabinet documents’ that fell within the terms of the order and confirmed that it had nothing further to provide.²⁴⁸

²⁴⁶ *Minutes*, Legislative Council, 23 October 2014, pp 198-199.

²⁴⁷ *Minutes*, Legislative Council, 12 November 2014, p 285.

²⁴⁸ Correspondence from Deputy General Counsel of Department of Premier and Cabinet, to Clerk of the Parliaments, relating to an order for papers regarding planning in Newcastle and the Hunter, 12 November 2014.

4.140 On 13 November 2014, Dr Faruqi gave notice for a further order for papers ordering that the documents not provided be produced. Paragraph 6 of Dr Faruqi’s notice stated:

That in the event that any documents are not provided to the House in response to this order on the basis of a claim of cabinet confidentiality, the return identify how the provision of these documents to the House would breach the immunity attaching to cabinet documents as variously articulated in *Egan v Chadwick*.²⁴⁹

4.141 However, the notice was not moved before the end of the parliamentary session on 29 November 2014.

4.142 A full copy of the notice is provided at Appendix 6.

4.143 The fact that these documents have not been provided was criticised by inquiry participants, such as Ms Grierson, who questioned whether they even exist:

I am not aware of any Cabinet papers being released. You have asked for papers. I don’t even know if they exist and neither do you. As I say to you, were proper feasibility studies done? Were proper cost-benefit analyses done? You don’t know and I don’t know. No-one has ever seen such documents.²⁵⁰

4.144 Save Our Rail NSW asserted that ‘[o]ne of the major failures has been a lack of transparency in the form of a steadfast refusal by the Minister for Transport to release the business case for both the Wickham Interchange and the light rail projects.’²⁵¹

4.145 A similar view was expressed by Mr Sutton, who observed:

There is a lack of transparency and accountability that is still evident today in the continuing refusal to release basic relevant documents, even documents that are specifically referenced in other documents that are on public exhibition. We cannot get those documents.²⁵²

4.146 Clr Crakanthorp criticised the fact that ‘not even the most rudimentary costings have been made available for the proposed light rail. No costings, no details and no schedule for light rail – only a termination of the existing service.’²⁵³

4.147 The estimated cost to support the new projects was cited as a key reason by Planning Plus as to why a business case should be provided:

... the lack of any cost-benefit analysis or similar evaluation in support of the decision is remarkable. This is particularly so given the likely \$500-700 million price tag of a new rail terminal/interchange, decommissioning of existing plant, construction of replacement light rail infrastructure, and purchase of rolling stock.²⁵⁴

²⁴⁹ *Notice Paper*, Legislative Council, 18 November 2014, p 1552.

²⁵⁰ Evidence, Ms Grierson, 21 November 2014, p 43.

²⁵¹ Submission 329, Save Our Rail NSW Inc., p 6.

²⁵² Evidence, Mr Sutton, 21 November 2014, p 71.

²⁵³ Submission 268, Mr Tim Crakanthorp, p 3.

²⁵⁴ Submission 317, Planning Plus, p 2.

- 4.148** Planning Plus expressed concern that the gains from the privatisation of the Port of Newcastle would be wasted on funding a project ‘that is of little or no net public benefit, and which is likely to have many negative long-term consequences.’²⁵⁵
- 4.149** Professor Dick contended that the release of such information was necessary for public confidence in the decision making process, especially given concerns regarding developer influence on the rail truncation²⁵⁶ (developer influence and conflicts of interest will be examined in chapter 6). He urged that the cost benefit studies ‘be released and subject to independent and public scrutiny BEFORE any action be taken to truncate the rail line, or to commence works at Wickham.’²⁵⁷
- 4.150** Hunter Transport for Business Development contended that the government’s refusal to release the cost benefit studies and business case for the Newcastle rail decisions suggests that the findings in the consultant reports do not lend support to the government’s decisions:

The recent refusal by the government to release consultants reports it commissioned as to the best place for a new transport interchange, alignment of the light rail routes, a business case, benefit cost studies, detailed design of the interchange and detailed advice on the light rail system on the grounds of “commercial sensitivity” and “cabinet in confidence”, demonstrates that those reports probably do not support the government’s decision to remove the rail or would not withstand a modicum of independent scrutiny.²⁵⁸

- 4.151** This point was elaborated by Mr Squire who asserted that the refusal of the government to release the studies ‘says either those studies do not exist or, if they do, they do not support the Government proposal, otherwise they would be trumpeting them from the roof tops.’²⁵⁹
- 4.152** A similar view was submitted by another inquiry participant who, in regard to the lack of available cost benefit studies into removing the rail line versus retaining it, remarked: ‘The only conclusion one can reach for such a glaring omission is that it would overwhelmingly support retaining the rail line.’²⁶⁰

Committee comment

- 4.153** The committee notes the concerns raised by inquiry participants regarding the Urbis cost benefit analysis contained in the *Newcastle City Centre Renewal* report – particularly the suggestion that the analysis was based on a ‘false assumption’ that the University of Newcastle was relying upon the truncation of the rail line to proceed with its CBD campus.
- 4.154** Given the reliance of the Hunter Development Corporation and the NSW Government on the report, which recommended truncating the rail line at Wickham, the committee shares the concerns regarding the validity of this report, given the evidence that the university’s decision to build the new campus was never contingent upon the rail line. We do not accept Mr

²⁵⁵ Submission 317, Planning Plus, p 2.

²⁵⁶ Submission 220, Professor Howard Dick, p 5.

²⁵⁷ Submission 220, Professor Howard Dick, p 5.

²⁵⁸ Submission 282, Hunter Transport for Business Development, p 8.

²⁵⁹ Evidence, Mr Squire, 21 November 2014, p 62.

²⁶⁰ Submission 274, Name suppressed, p 1.

Anicich's suggestion that the flaw in the analysis is irrelevant. This flaw, together with the defects identified by Professor Dick, make it clear that the analysis was fundamentally flawed and it is deeply troubling that this analysis has formed the basis of the government's decision to truncate the rail line. No government should be making such an important decision on this material

- 4.155** The committee also notes the concerns regarding the lack of other cost benefit analyses or business cases for the rail truncation, Wickham Interchange or light rail projects. We note that these documents were not provided in the return to Dr Faruqi's order for papers as it has made it difficult for the committee to make definitive conclusions regarding these decisions. We are of the view that the government should provide these documents by 31 January 2015 to assist the committee in its work.²⁶¹
- 4.156** The committee has therefore agreed to write to the Secretary of the Department of Premier and Cabinet to request that the documents not provided in the return to order for papers relating to planning in Newcastle and the Hunter, dated 23 October 2014, be released to the committee by 31 January 2015.

Recommendation 1

That the NSW Government provide all of the documents listed in the order for papers relating to planning in Newcastle and the Hunter, dated 23 October 2014, by 31 January 2015, as requested by the committee.

Alternative options to truncation

- 4.157** Inquiry participants identified three main alternatives to truncating the rail line at Wickham. These options are:
- sinking the rail line underground
 - constructing additional overbridges
 - constructing additional level crossings.
- 4.158** It was suggested that these options, which will be considered below, would provide a more cost effective solution to improving accessibility between the Newcastle city centre and the waterfront.

Sinking the rail line

- 4.159** The first alternative option suggested by inquiry participants is to sink the rail line underground. The Campbelltown and Districts Commuter Association identified several potential benefits in sinking the line:

²⁶¹ However, we accept the longstanding convention that cabinet documents properly the subject of cabinet-in-confidence are not produced under Standing Order 52.

- a comparative cost to the proposed terminal and light rail on congested Hunter Street and completing the unfinished road CBD bypass
- a cut-and-fill trench for 1.5 kilometres or a construction similar to the Sydney Airport Line would be practical
- a future high speed line could have access along this path and potentially provide Newcastle with direct access to Brisbane and Sydney as well as other major centres
- road traffic would not need bridges or level crossings
- pedestrian access to the foreshore would be unimpeded
- high rise construction could be made over the rail corridor, and space above the rail corridor could be leased as a means of the costs of the project.²⁶²

4.160 Mr Francis Young advocated for the construction of a rail tunnel under Stewart Avenue, describing it as an ‘obvious solution’.²⁶³ Mr Young said that Urbis had previously costed a rail tunnel at \$750 million, but claimed that an engineer from another company had estimated it would cost less than \$200 million:

... Urbis was engaged to develop a costing of a tunnel proposal and came up with a proposal that cost \$750 million. Several months later I spoke to the senior engineer of a local rail firm who, with more than 90 publicly funded studies into Newcastle Rail spanning a century, quickly concluded that the tunnel was the obvious solution. They said it is feasible and it would cost under \$200 million to build, plus the on-costs for Sydney trains.²⁶⁴

4.161 Dr Graham Boyd, Secretary, Hunter Commuter Council, considered that the most ‘logical’ solution would be to sink the rail line west of Wickham station:

If you are thinking of the railway line as a barrier the most logical [solution] is to sink it into a tunnel; however, alternate suggestions have been to build road bridges over the railway line at certain points, to increase the number of pedestrian crossings across the railway line at certain points, and to build over Wickham and Civic stations so that the shopping sort of rises up over the stations and goes down on the other side if you like to think of it in those terms. But the most logical would be to sink the railway line east of Railway Street, which is west of Wickham station.²⁶⁵

4.162 One submission author proposed that a subterranean line could be extended to link the city to the Newcastle airport and Port Stephens, an option which would be ‘expensive yes, but also future-proofing this area’.²⁶⁶

4.163 Another inquiry participant cited Perth as an example of a city that had successfully sunk a rail line as part of their own urban renewal strategy, and pointed out that sinking the Newcastle

²⁶² Submission 32, Campbelltown and Districts Commuter Association, p 1.

²⁶³ Public forum, Mr Francis Young, p 2.

²⁶⁴ Public forum, Mr Young, p 2.

²⁶⁵ Evidence, Dr Boyd, 21 November 2014, p 75.

²⁶⁶ Submission 190, Name suppressed, p 4.

line would meet the objectives of both maintaining the current heavy rail access to Newcastle station and removing the rail line as a barrier between the city and the foreshore.²⁶⁷

Overbridges

4.164 The second proposed alternative to truncating the rail line at Wickham raised during the inquiry was to construct additional overbridges to better connect the city centre and foreshore for pedestrians. It was argued that building overbridges would be an easier, cost-effective solution to enhancing connectivity.

4.165 Dr Outram and Mr Zdenkowski agreed with the view that current pedestrian access to the foreshore is limited, but submitted that the construction of overbridges with elevators would effectively address access issues for people of varying mobility and would cost significantly less:

It is true that there is a lack of easy access between Hunter St and the harbour foreshore. An elevator to allow the aged and unwell, people with a disability and prams to cross the railway lines using a footbridge overpass is essential from the mall to the harbour and at other points. This would be much less expensive than a light rail.²⁶⁸

4.166 They observed that such a solution had been successfully implemented in Wellington, New Zealand:

In Wellington New Zealand there is a 4 lane highway separating the CBD from the harbour and the access is via overpasses, foot bridges and paths decorated with statues and sculptures and nice places to sit and admire the view. It is an asset not an eyesore.²⁶⁹

4.167 Ms Antcliff also advocated for the construction of overbridges to remove the barrier between the city and the foreshore, which she considered to be a 'much cheaper and more desirable option':

The simplest and cheapest solution is to build a series of ramped pedestrian overbridges over the railway line. Not only would these pedestrian bridges provide 'connectivity' between Hunter Street and the waterfront but they would also provide better views than ground level connections. The government proposes constructing 3 pedestrian overbridges just to the west of the proposed Wickham Interchange so why not leave the railway functioning all the way to Newcastle station with pedestrian overbridges at all points proposed for improved connectivity between Hunter Street and the waterfront? This would be a much cheaper and more desirable option than what is proposed.²⁷⁰

²⁶⁷ Submission 274, Name suppressed, p 4.

²⁶⁸ Submission 21, Dr Sue Outram and Mr Andrew Zdenkowski, p 2.

²⁶⁹ Submission 21, Dr Sue Outram and Mr Andrew Zdenkowski, p 2.

²⁷⁰ Submission 23, Ms Veronica Antcliff, p 11.

- 4.168** TVT Transport Development and Road Safety Research agreed that the construction of overbridges would be an easier and ‘considerably cheaper’ solution to enhance connectivity, compared to the potential disruption caused by the construction of the light rail:

It would be considerably cheaper to build some additional easily graded pedestrian overbridges than the (probable) overall costs of \$500 million to remove the rail line, build temporary facilities, chop up Hunter Street and install light rail (that’s in addition to the external costs of disruption, dust, potential hazards, noise etc).²⁷¹

Level crossings

- 4.169** The third alternative proposal was to construct additional level crossings over the rail line for pedestrians, as well as improving the landscaping of the corridor and slowing trains between Wickham and Newcastle stations.

- 4.170** Inquiry participants argued that advances in technology meant that new level crossings were a safer alternative than previously thought, as well as being more affordable than truncation. Dr Steve O’Brien articulated this view:

[More level crossings] would easily and affordably address the purported problem of the rail acting as a barrier to the harbor from the city. Putting in place more crossings for cars to ease busy traffic in the CBD is also possible and desirable. Whilst safety concerns have been raised regarding more pedestrian level crossings, the ones that currently exist already provide excellent models on safety designs, as do other available international models.²⁷²

- 4.171** Mr Amos was also of the view that further consideration should be given to installing additional level crossings due to improved safety standards and the lower capital expenditure involved:

There is also some suggestion that additional pedestrian level crossings cannot [be] installed because of safety concerns. Reliable technology for active level crossing gates has been use since the late 1960s. Today, controlled by digital microprocessors, these systems are considered to be even more reliable ... Surely additional crossings are worth trying before there is any commitment to removal of the line. The[y] will certainly require far less capital expenditure and enable funds earmarked for removal of the line to be used on other transport projects that will enhance patronage and mode shift to public transport.²⁷³

- 4.172** Mr Amos was critical of the apparent failure to give adequate consideration to providing additional level crossings given the significantly lower cost of crossings compared to truncating the rail line:

It is difficult to understand how the decision to remove the rail line because it is a barrier can be justified on both moral and economic grounds when adding crossings has not been properly evaluated or tried. Adding pedestrian level crossings must surely

²⁷¹ Submission 249, TVT Transport Development and Road Safety Research, p 4.

²⁷² Submission 289, Dr Steve O’Brien, p 3.

²⁷³ Submission 96, Mr Andrew Amos, p 4.

be possible at far lower cost than the proposed complete removal of the line and construction of a new bus rail interchange.²⁷⁴

4.173 A similar view was put by Clr Crakanthorp who observed: ‘The current decision has an all-or-nothing approach. It does not consider alternatives such as modern, safe level crossings as are used in Perth.’²⁷⁵

4.174 Planning Plus suggested that constructing additional rail crossings, together with enhancing overhead wiring and stanchions and trackside landscaping would address the perceived problems with the rail line at a ‘relatively modest cost’:

It would seem fairly clear that an expenditure of this magnitude might be more beneficially spent on a program of major ‘transformative’ public transport improvements across the Hunter Region ... Many of the often-quoted objections to the Newcastle rail link could be overcome instead at relatively modest cost by the provision of additional rail crossings, aesthetically designed light rail-style overhead wiring and stanchions, and trackside landscaping.²⁷⁶

4.175 Other participants also raised the prospect of beautifying the existing rail corridor, slowing trains and providing additional crossing points and better signalling to enhance accessibility between the city and the waterfront. Professor Dick said that such a proposal had long been mooted by community groups but not pursued by consecutive governments:

The other option that deserves further consideration is that of leaving the rail line where it is but beautifying the corridor, adding controlled crossings, improving signalling to coordinate with traffic lights at Stewart Avenue and slowing trains along the Wickham-Newcastle section. Those elements have been taken up in the recent Labor Party proposal but they were recommended by community groups as long ago as the early 1990s. They have never been subject to design and costing ... The line could have been beautified and sensible improvements made more than 20 years ago by government of either main party.²⁷⁷

4.176 Professor Dick elaborated on the option of slowing trains as a potential alternative to truncating the rail line: ‘... you can slow trains down. You can have a happy train arriving at Newcastle slowing down and making the most of what is after all a rather wonderful experience as you come into Newcastle station’.²⁷⁸

4.177 EcoTransit Sydney also suggested slowing heavy rail trains to the speed of light rail, together with landscaping and multiple crossing points with automatic control gates and appropriate signalling.²⁷⁹

4.178 Mr John Sutton, former councillor, The City of Newcastle, noted that the proposal to landscape the rail corridor had been discussed since the late 1980’s, describing it as a ‘very sensible option’ with a potentially minimal cost:

²⁷⁴ Submission 96, Mr Andrew Amos, p 4.

²⁷⁵ Submission 268, Mr Tim Crakanthorp, p 2.

²⁷⁶ Submission 317, Planning Plus, p 2.

²⁷⁷ Submission 220, Professor Howard Dick, p 6.

²⁷⁸ Evidence, Professor Dick, 21 November 2014, p 75.

²⁷⁹ Submission 269, EcoTransit Sydney, p 4.

... there was an option presented from the very beginning of the debate about cutting the railway line, which was in the late 1980s, by the community – I think it was actually the Parks and Playgrounds Movement that presented it and I think the Committee will find that that option is still on its website. It was a very sensible option and it would cost very, very little – a fraction of the cost of the current proposal involves. It was a proposal to landscape the rail line, narrow it in certain places, and provide controlled pedestrian crossings across it. It has never been costed.²⁸⁰

- 4.179** In its submission to the inquiry, the Parks and Playgrounds Movement Inc. expressed continued support for the landscaping of the rail corridor in assisting to revitalise Newcastle:

... the rail corridor still remains the key to the foreshore scheme and should play an important part in the revitalisation of the City. It has the potential to provide for a huge increase in patronage from other centres and provide speedy, comfortable access to what should become an important tourist and recreational destination. The landscaped rail corridor along the foreshore will enhance the pleasure of arriving at an attractive destination and add positively to the foreshore landscape.²⁸¹

Minimal assessment of alternative options

- 4.180** A number of inquiry participants told the committee that there had been minimal exploration of alternatives to truncating the rail line at Wickham, particularly in regard to cost benefit analyses of the multiple alternative options. For example, EcoTransit Sydney suggested that there had been ‘no objective and comprehensive studies (or none have been publicly accessible) into viable alternatives to complete closure of the line’.²⁸²
- 4.181** When questioned if options other than removing the heavy rail had been examined or been subject to cost benefit analyses, Dr Boyd of the Hunter Commuter Council replied:
- Certainly not through this process. This is been an ongoing issue for 30 years or more. Consideration has been given in the past to putting road bridges over the railway line, to building above the railway stations, to making them shopping areas that people could access across the line, to putting in more level crossings so people can across the line, and to sinking the railway line and putting it into a tunnel. This process has only been about truncating the railway line.²⁸³
- 4.182** Dr Boyd emphasised the lack of examination of alternative options during the current planning process, despite their apparent feasibility: ‘There are no cost-benefit analyses for any of the proposals and that, of course, is the Achilles heel of putting up an alternative, but all of those proposals are engineeringly feasible’.²⁸⁴
- 4.183** EcoTransit Sydney noted that while alternative solutions were ‘all technically possible (subject to rail line gradient issues) ... what is important is that they have never been assessed by an

²⁸⁰ Evidence, Mr Sutton, 21 November 2014, p 75.

²⁸¹ Submission 31, Parks and Playgrounds Movement Inc, p 8.

²⁸² Submission 269, EcoTransit Sydney, p 4.

²⁸³ Evidence, Dr Boyd, 21 November 2014, p 71.

²⁸⁴ Evidence, Dr Boyd, 21 November 2014, p 75.

objective planning process accessible to the public and at arm's length from private interests'.²⁸⁵

- 4.184 Mr Sansom felt that the government had failed to consider alternatives to truncation, despite their apparent affordability: 'If access across the railway is an issue then level crossings, bridges or underpasses would be a much cheaper option. Strangely this government has not acknowledged any of these options'.²⁸⁶
- 4.185 Issues with lack of cost benefit analyses were discussed in more detail earlier in this chapter.

Committee comment

- 4.186 The committee notes that inquiry participants have identified a number of alternative proposals to truncating the rail line at Wickham, including sinking the rail line underground, constructing additional overbridges and level crossings, and landscaping the existing rail corridor. We also note the criticism of the NSW Government for a perceived failure to explore the costs and benefits of these alternatives.
- 4.187 The committee shares the concerns of inquiry participants that a number of seemingly practical and cost-effective options to improving the connection between the Newcastle city centre and the foreshore appear to have been inadequately explored by the government. Given the significant proposed costs involved with removing the rail line and replacing it with the light rail, we believe it prudent that no steps be taken to remove Newcastle's existing rail infrastructure until a peer reviewed report is obtained by the government that thoroughly considers the economic, social and environmental costs and benefits of the alternative options of removing and retaining the existing rail line.
- 4.188 Further, in undertaking the cost benefit analysis in Recommendation 2, the committee believes that the government should consider a series of alternative options to the removal of the rail line including sinking the rail line, constructing additional overbridges and/or level crossings, landscaping the existing rail corridor and reducing train speeds.

Recommendation 2

That no steps be taken to remove Newcastle's existing rail infrastructure until a peer-reviewed report is obtained by the NSW Government that thoroughly considers the economic, social and environmental costs and benefits of the alternative options of removing and retaining the existing rail line.

Recommendation 3

That in undertaking the cost benefit analysis in Recommendation 2, the NSW Government consider a series of alternative options to the removal of the rail line including sinking the rail line, constructing additional overbridges and/or level crossings, landscaping the existing rail corridor and reducing train speeds.

²⁸⁵ Submission 269, EcoTransit Sydney, p 4.

²⁸⁶ Submission 47, Mr Peter Sansom, p 1.

Chapter 5 Light rail and Wickham interchange

This chapter examines the proposed light rail into the Newcastle city centre. It includes concerns about the timeframe to truncate the heavy rail on Boxing Day, well before construction of the light rail has commenced, and apprehensions with the interim shuttle bus arrangements. The use of the rail corridor post-truncation is canvassed, before criticisms about the proposed Wickham interchange are considered.

Proposed light rail route

- 5.1** As noted in chapter 2, when the NSW Government announced the truncation of the rail line on 14 December 2012, it was reported that the rail lines on the existing corridor would remain to allow the possibility of light rail.²⁸⁷
- 5.2** On 23 May 2014, the government announced that the light rail route would only utilise part of the existing rail corridor and then go down Hunter and Scott Streets.²⁸⁸

Support for proposed route

- 5.3** Some inquiry participants supported the proposed light rail service running down Hunter Street. For example, Mr Peter Chrystal, Director of Planning and Regulatory, The City of Newcastle, contended that if the light rail were to run along the existing rail corridor it would continue to act as a barrier to the waterfront:

Council's key goal for the city centre is revitalisation through attracting people to live, recreate, work and invest in our city. Council's view is hence the option to run a Light Rail system on the existing corridor does not deliver on the council's revitalisation goals for Newcastle and perpetuates the existing barrier to the waterfront.²⁸⁹

- 5.4** Mr Andrew Fletcher, NSW Regional Director, Property Council of Australia, also supported the proposed light rail route down Hunter Street, insisting that it will provide greater access to areas of Newcastle city for more people:

I am excited about the proposed light rail route because it will make access to the beach and across the city far easier for everyone – the elderly, the disabled, pedestrians and cyclists, who currently have to negotiate pedestrian overpasses and railway level crossings. An upgrade over a few metres between a heavy rail and a light rail system will be an enormous improvement for the people of Newcastle.²⁹⁰

²⁸⁷ Jeannette McMahon, ABC Newcastle, *'The deepest cut ... Newcastle's rail line to go'*, 14 December 2012, <<http://www.abc.net.au/local/stories/2012/12/14/3654563.htm>>.

²⁸⁸ Media release, Hon Pru Goward MP, Minister for Planning and Minister for Woman; and Hon Gladys Berejiklian MP, Minister for Transport and Minister for the Hunter, 'Newcastle light rail route announced', 23 May 2014; and Submission 253, NSW Government, Attachment 2, p 3.

²⁸⁹ Evidence, Mr Peter Chrystal, Director of Planning and Regulatory, The City of Newcastle, 7 November 2014, pp 37-38.

²⁹⁰ Evidence, Mr Andrew Fletcher, NSW Regional Director, Property Council of Australia, 24 November 2014, p 48.

Extension of the light rail

- 5.5** Another consideration raised by some inquiry participants was the desire for a light rail service that extends to other major areas and destinations around Newcastle. Mr Chris Chapman, Managing Director, Colliers International Newcastle commented to the committee:

I would love to get onto a tram or light rail and head down to Wickham. That would be fabulous. The great cities of the world all have light rail systems and I think it would be the thin edge of the wedge. In my lifetime I would like to see it run down Union Street, connect up to Darby Street and head up to the beach. I think it would be great. I am excited by it.²⁹¹

- 5.6** The former member for Newcastle, Ms Sharon Grierson, likewise expressed support for a more extensive light rail network as opposed to the proposed two kilometre route which she strongly viewed to be inadequate. Further, Ms Grierson emphasised the importance of the light rail being connected to a truly seamless transport network:

... in the best cases I saw, and some of those were in France, it was so seamless and it was multimodal. Park-and-ride, major bus connectivity, heavy rail – stepping right off the heavy rail with a suitcase that just rolled straight on to light rail. I have seen the benefits of light rail and Newcastle would be wonderfully served by light rail, but that is not what we are getting in a two-kilometre \$350 million waste of money.²⁹²

- 5.7** A light rail system that extends to the inner suburbs of Newcastle was supported by Mr Richard Anicich, Immediate Past President, Hunter Business Chamber, who commented:

I look forward to the day when there is light rail running from the new Newcastle terminus around the inner suburbs to the stadium at Broadmeadow, to the John Hunter Hospital, to the Mater Hospital, to the airport, to the university. People need to think, not about today or tomorrow but 10 years, 20 years, 30 years time and you need to get started; you need to have the vision of what can be and have the passion to get there.²⁹³

- 5.8** Transport for NSW advised in its Hunter Regional Transport Plan, released in March 2014, that during the planning stage of the light rail network, consideration will be given to how the network can be extended in the future:

As we plan for the first stage of light rail for Newcastle, we are at the same time investigating how the light rail could be extended in the future. Planning work will consider how to better connect with key destinations and activity centres, such as Hunter Stadium; the University of Newcastle at Callaghan; Charlestown Square; John Hunter Hospital; Mater Hospital and Newcastle Airport.²⁹⁴

²⁹¹ Evidence, Mr Chris Chapman, Managing Director, Colliers International Newcastle, 21 November 2014, p 15.

²⁹² Evidence, Ms Sharon Grierson, former Federal member for Newcastle, 21 November 2014, p 42.

²⁹³ Evidence, Mr Richard Anicich, Past President, Hunter Business Chamber, 21 November 2014, p 59.

²⁹⁴ Transport for NSW, *Hunter Regional Transport Plan*, March 2014, p 47.

Concerns about proposed route

5.9 According to Clr Tim Crakanthorp²⁹⁵ there was surprise amongst the community when the proposed light rail route was announced. Clr Crakanthorp submitted there were two impacts of this decision:

- the effect on businesses in Hunter Street during the construction process; and
- not using the existing rail corridor opens up potential for the redevelopment of the rail corridor due to the land not being undermined.²⁹⁶

5.10 In evidence before the committee, Clr Crakanthorp elaborated on the problems that he saw associated with the light rail route using Hunter Street:

The problem with Hunter Street is that it is going to cost a massive amount of money – number one. It narrows considerably the further along Hunter Street you go, particularly as it gets to Scott Street, it narrows quite a lot. There are engineers who have indicated to me, off the record, that there are massive problems with light rail as it nears the end of Hunter Street in particular and those businesses on Hunter Street are also going to have major problems, as are bicycles and cars. It is going to be pretty difficult...²⁹⁷

5.11 Clr Crakanthorp questioned the motives behind proposing Hunter Street for the light rail system. He noted a letter²⁹⁸ from the former Lord Mayor, Mr Jeff McCloy, to the then Minister for Planning, the Hon Brad Hazzard MP, urging the Minister to cut the rail line, to infer that Mr McCloy had influenced the government's decision:

In the letter that the former Lord Mayor wrote to Mr Hazzard ... he explicitly indicated he had considerable property in Hunter Street and he wanted the rail line – the heavy rail – to cease. It would be very beneficial to him and he obviously had his developments on hold, which was explicit in the letter, until that were to occur.²⁹⁹

5.12 The letter from Mr McCloy to Minister Hazzard advised that four projects planned by the McCloy Group for the Newcastle CBD had been put on hold until a decision was made on the heavy rail line.³⁰⁰ Mr McCloy noted that these sites had been purchased on the basis that the rail line would be closed and that the GPT Group projects would proceed, and concluded that the McCloy Group '... has no further desire to add to its property portfolio whilst the current heavy rail line is in place'.³⁰¹

²⁹⁵ Clr Crakanthorp was elected as the member for Newcastle on 25 October 2014.

²⁹⁶ Submission 268, Mr Crakanthorp, pp 3-4.

²⁹⁷ Evidence, Clr Tim Crakanthorp, Councillor, The City of Newcastle, 21 November 2014, p 20.

²⁹⁸ Return to order for papers, resolution of 23 October 2014, Planning in Newcastle and the Hunter, Item b(15).

²⁹⁹ Evidence, Clr Crakanthorp, 21 November 2014, p 20.

³⁰⁰ Correspondence from Mr Jeff McCloy, Chairman, McCloy Group to the Hon Brad Hazzard MP, Minister for Planning and Infrastructure, 13 February 2012.

The four projects mentioned are the Lucky Country Hotel, Telstra Civic Building, a vacant block on Bolton Street, and the Blackwood site on Hannell Street.

³⁰¹ Correspondence from Mr McCloy to the Hon Hazzard MP, 13 February 2012.

- 5.13** A briefing note prepared by the Hunter Development Corporation noted that the NSW Government had been approached by several landowners, investors and developers from Newcastle seeking a commitment from the government to remove the heavy rail line.³⁰²
- 5.14** The response to Mr McCloy from the Minister advised that the Department of Planning and Infrastructure was currently preparing an urban renewal strategy for Newcastle to ‘help create an environment conducive to further investment and urban renewal’.³⁰³
- 5.15** Similar concerns were echoed by other inquiry participants, such as Hunter Transport for Business Development, which contended that the decision to run the light rail along Hunter Street represented considerable waste and that it was necessary to examine the rationale for this decision:
- We consider it vital to explore the reasoning/rationale just why the government turned 180 degrees from its original decision and chose an option costing more than twice as much as the full corridor option, wasting the capital already invested in the existing line, to in effect duplicate the existing rail line in Hunter Street which in most places is 20 to 30 metres from the rail corridor and right next to Scott Street.³⁰⁴
- 5.16** Concerns about financial waste were considered in chapter 4.
- 5.17** The Convenor of Hunter Transport for Business Development, Mr Alan Squire, claimed that the decision to choose Hunter Street for the light rail system was based upon inadequate evidence and heavily influenced by property developers:
- The decision to run light rail down Hunter Street was not based on evidence that would withstand professional scrutiny, but was strongly influenced by the vested interests and conflicts of interest to HDC, GPT, UrbanGrowth, the McCloy Group and the Property Council.³⁰⁵
- 5.18** In support of this claim, Mr Squire alleged that at an information session about the light rail, a public official from Transport for NSW said that the decision to run the light rail down Hunter Street was made because ‘that’s what Mr McCloy wanted.’³⁰⁶
- 5.19** Mr Stephen Roberts similarly cast doubt over the motives behind the light rail route, noting that it was the then Lord Mayor’s preferred route:

After much debate, our community was ready to accept light rail provided it utilised existing tracks and infrastructure (and even the existing rolling stock at reduced speed – eg: the Maitland line trains). Then, “all of a sudden”, the Lord Mayor’s ‘preferred’

³⁰² Briefing note, Department of Planning and Infrastructure, Hunter Development Corporation, *Newcastle heavy rail line*, 27 February 2012.

³⁰³ Correspondence from the Hon Brad Hazzard MP, Minister for Planning and Infrastructure to Mr Jeff McCloy, Chairman, McCloy Group, undated.

³⁰⁴ Submission 282, Hunter Transport for Business Development, p 5.

³⁰⁵ Evidence, Mr Alan Squire, Convenor, Hunter Transport for Business Development, 21 November 2014, p 63.

³⁰⁶ Evidence, Mr Alan Squire, Convenor, Hunter Transport for Business Development, 21 November 2014, p 64; Answers to questions on notice, Mr Alan Squire, Convenor, Hunter Transport for Business Development, 30 November 2014, p 1.

(and much more expensive) route along Hunter and Scott Streets, was “all of a sudden” endorsed by the NSW parliament. Given this route is only metres from the existing corridor I believe that decision cannot be taken seriously.³⁰⁷

5.20 Concerns about developer influence and conflicts of interest are examined in chapter 6.

5.21 Several stakeholders argued that using the existing heavy rail infrastructure for the light rail route would save a substantial amount of money.³⁰⁸ For example, Mr Andrew Amos declared:

It is absolutely ludicrous that millions of dollars will be spent relocating utility services and laying tracks and wiring for light rail in Hunter Street and Scott Streets when rail facilities already exist just metres away in the rail corridor.³⁰⁹

5.22 Mrs Karen Bolben contended that the decision to not use the existing corridor and rail infrastructure suggests the light rail option has not been properly considered by the NSW Government:

The plan to remove the heavy rail and replace it with light rail extending down Hunter Street and Scott Street, a mere 20 metres away, is such a ludicrously expensive duplication of current infrastructure it is no wonder that the state government has not supplied a business case to support the plan. It is indeed no wonder that the state government hasn't costed the plan and hasn't in any way begun to initiate the plan instead stating that it may commence in a couple of years.³¹⁰

5.23 Dr Bruce McFarling, Visiting Professor in Economics, International College Beijing, China Agricultural University, told the committee that the best use of the existing rail corridor would be for a transport purpose due to the developments that have been built around it:

The ideal uses of the corridor would involve transport because it connects very close to such a large number of the regional destinations in the CBD precinct and in the foreshore and because of its current use, the development has largely been built up with its back to the corridor, which allows for a transport corridor that suffers far less pedestrian and motor vehicle traffic interference than any of the other alignments east-west through the CBD precinct.³¹¹

5.24 Dr McFarling said he had welcomed the initial government proposal of replacing the heavy rail with a light rail service on the same corridor, however, questioned the basis upon which this original decision was reversed, particularly as he could not see any cost benefit to the new alignment:

In my summation to the Committee, I took a look at the only detailed analysis that I could find justifying the street alignment, which was the advocacy of the Property Council. I could not find anything in the analysis that could justify spending an additional \$AUS700 million on a cost-benefit basis. Indeed, after addressing the most

³⁰⁷ Submission 22, Mr Stephen Roberts, pp 1-2.

³⁰⁸ See for example Submission 96, Mr Andrew Amos, p 8; Submission 217, Mr Peter Newey, p 4.

³⁰⁹ Submission 96, Mr Andrew Amos, p 8.

³¹⁰ Submission 378, Ms Karen Bolben, p 3.

³¹¹ Evidence, Dr Bruce McFarling, Visiting Professor in Economics, International College Beijing, China Agricultural University, 24 November 2014, p 56.

obvious analytical errors in the analysis, I could find no net benefit to a street alignment at all.³¹²

5.25 The lack of cost benefit analyses for the light rail was considered in chapter 4.

Committee comment

5.26 The committee notes the concerns raised by inquiry participants regarding the proposed Hunter Street light rail route and considers that the decision to not utilise the entire existing rail corridor should be revisited.

5.27 The committee believes that the current proposal for the light rail route does not have broad community support and was delivered after a process that has been rightly criticised as flawed. On all the evidence before the committee the light rail option proposed represents a poor alternative to the existing heavy rail line in the CBD.

5.28 In the committee's view, the cost and disruption of constructing light rail down Hunter Street, especially given the existence of infrastructure available to use along the heavy rail corridor if it is truncated, represents an unnecessary waste and impact on the community. We therefore recommend that the NSW Government not proceed with the proposed Hunter Street light rail route unless and until supported by a peer-reviewed cost benefit analysis that thoroughly considers not only the retention of the existing rail line but also the provision of light rail on the existing rail corridor

Recommendation 4

That the NSW Government not proceed with the proposed Hunter Street light rail route unless and until supported by a peer-reviewed cost benefit analysis that thoroughly considers not only the retention of the existing rail line but also the provision of light rail on the existing rail corridor.

5.29 The committee notes that Transport for NSW is investigating extending the light rail network in the future. If the light rail project proceeds, we support this undertaking. The committee urges the NSW Government to ensure that the community is adequately consulted on any plans should such an extension be made.

Concerns with timeframes

5.30 As noted in chapter 2, the NSW Government announced that trains would cease operating beyond Wickham from Boxing Day 2014. Shuttle buses are planned to operate during the interim period until a light rail service starts. At the time of the announcement, no dates were given for the commencement or completion of the light rail.

5.31 Many inquiry participants were critical of the Boxing Day closure given that construction of the light rail has not even begun. For example, in his submission to the inquiry Mr Peter Sansom commented:

³¹² Evidence, Dr McFarling, 24 November 2014, p 54.

If light rail is to be built then the existing railway should remain open until the light rail is ready to be connected. Clearly there has been no planning for this light rail. All we have seen is some pretty pictures.³¹³

- 5.32** Mr Steven Roberts also criticised the decision to cut the heavy rail in December and expressed doubt as to whether the light rail would even be built:

There is absolutely no justification to rush and stop the current train services to Newcastle on 26 December 2014. There is no alternative plan in place and no evidence to demonstrate that a light rail will be constructed other than on “trust.”³¹⁴

- 5.33** Scepticism over whether the light rail will be built is discussed further in the following section.

- 5.34** The Planning Institute Australia argued that the timing of the truncation is inappropriate as it will be a very busy period in Newcastle:

The timing and commencement of the removal of the heavy rail line (Boxing Day this year) is inappropriate given that it is peak holiday period and a major event (Asian Football Cup) is occurring in Newcastle.³¹⁵

- 5.35** The expected timeframe to complete the two kilometre route was also challenged, with Ms Leonie Crennan declaring:

[I heard] in the media, the government announcing the heavy rail is to be truncated on Boxing Day 2014. Light rail is mentioned, but was yet to be approved, and will take at least three years to install !!!³¹⁶

- 5.36** The Australian Institute of Architects NSW Chapter submitted that the light rail is a key element of the Newcastle Urban Renewal Strategy and its implementation should be a considered and staged process designed to encourage businesses and residents to adapt to the change. It was also critical of the timing for the truncation of the heavy rail:

The government’s recent announcement that the trains will cease using the Wickham to Newcastle section of the line on Boxing Day contradicts this logical and orderly process. It will create confusion where there should instead be clarity and a sense of purpose. It will certainly not assist the city council and the business community to adjust calmly and methodically to the long-term changes in the transport system proposed by the Strategy.³¹⁷

- 5.37** Dr Janet Aisbett submitted that the transport project for Newcastle required much more advanced planning before the closure of the heavy rail could be justified:

Whether or not replacing 2.7 km of heavy rail with light rail is essential to revitalise the city, the project requires the thorough planning recommended in the Newcastle CBD Integrated Transport Report. If there had been a cost benefit analysis for the entire project, if construction-phase transport options and road closures had been

³¹³ Submission 47, Mr Peter Sansom, p 4.

³¹⁴ Submission 22, Mr Steven Roberts, p 1.

³¹⁵ Submission 312, Planning Institute Australia, p 3.

³¹⁶ Submission 126, Ms Leonie Crennan, p 2.

³¹⁷ Submission 92, Australian Institute of Architects NSW Chapter, p 2.

announced, and if a completion date for the Newcastle Light Rail was given – as it has been for the Sydney’s Light Rail – then announcing the end date for heavy rail services would make sense.³¹⁸

5.38 Ms Grierson expressed a similar view, stating:

... we should not truncate the rail until we have a really proper integrated planning strategy based on light rail taking out the 80 per cent of the traffic in the city. That is what needs to be done. It is not divisive; it is best practice.³¹⁹

5.39 In response to questioning from the committee as to what is prohibiting work from proceeding on the light rail before truncation of the heavy rail, Ms Carolyn McNally, Secretary, Department of Planning and Environment noted that it was a matter for Transport for NSW, but commented:

It is quite complex to put in a new rail line, whether it is a light or heavy rail line. As you have seen, those people who are aware of work that is happening in the central business district, you need to undertake a lot of investigations about relocation of utilities, impact on various businesses around stops and so on. So often the most difficult and longest part of a project is doing that detailed investigation up-front. So truncating the rail line really allows them to get on and do that work holistically.³²⁰

5.40 Transport for NSW declined the committee’s invitation to appear as a witness. The committee wrote to the department and asked them to explain what constraints there are to commencing construction of the light rail before the heavy line is truncated. Transport for NSW replied:

The NSW Government is getting on with the job of truncating the rail line, reuniting the city centre with the foreshore, and providing certainty for the people of Newcastle.³²¹

Scepticism that light rail will be built

5.41 Several inquiry participants, such as Mrs Cecily Grace, expressed doubt as to whether the light rail would even be constructed: ‘Newcastle citizens distrust the claim that the light rail will ever be built’.³²²

5.42 This view was echoed by Ms Veronica Antcliff, who claimed that many people in Newcastle are sceptical that the light rail will proceed, and were concerned that the government would ultimately determine the light rail to be unaffordable.³²³

³¹⁸ Submission 141, Dr Janet Aisbett, p 21.

³¹⁹ Evidence, Ms Grierson, former Federal member for Newcastle, 21 November 2014, p 40.

³²⁰ Evidence, Ms Carolyn McNally, Secretary, Department of Planning and Environment, 24 November 2014, p 13.

³²¹ Answers to questions on notice, Mr Dave Stewart, Secretary, Transport for NSW, 3 December 2014, p 1.

³²² Submission 156, Mrs Cecily Grace, p 2.

³²³ Submission 23, Ms Veronica Antcliff, p 7.

5.43 This point was reiterated by the Hunter Environment Lobby Inc, which stated: ‘There is a promise of a ‘Light Rail’ being built from Wickham, but because the cost of this venture is well over \$400 million, we are not confident that it will progress.’³²⁴

5.44 Dr Janet Aisbett contended that the absence of detailed information concerning the completion of the light rail project casts doubt over whether it will proceed:

No completion date for the overall project has been released because the project is in embryonic stages, and, one presumes, any reasonable guesses would be politically unacceptable. The date that rail services would end appears also to have been determined for political rather than operational reasons. This raises widely held concerns that the rail line will be cut while the promised light rail never materialises.³²⁵

5.45 In response to questions from the committee, Transport for NSW advised that construction of the light rail is expected to commence in late 2015, and that [a] completion date will be determined when a contract is awarded for the construction of the light rail and a program for delivery is developed with the contractor.³²⁶

5.46 With regard to the budget for the light rail project, Transport for NSW advised that \$460 million has been allocated to the Newcastle Urban Renewal and Transport Program. The portion of that amount that has been allocated to the light rail was not specified.³²⁷

Committee comment

5.47 The committee shares the concerns of inquiry participants regarding the timeframe to truncate the rail line on Boxing Day 2014, considering that construction of the light rail is not expected to commence until late 2015. We see no reason why the government needs to rush the closure of such a vital piece of transport infrastructure, especially given that the proposed light rail route will not be using the existing tracks.

5.48 The government presented no viable argument to support the decision to terminate rail services on Boxing Day. The government representatives acknowledged they had no existing plans for the rail corridor after the closure of the rail line and therefore the purported urgency to terminate services can only be seen as running to a political, as opposed to practical, timetable by the government. For the good of the people of Newcastle and the Hunter the existing rail line services should be retained until a considered and well informed decision is made on the future of the rail corridor as proposed in Recommendation 2. At the very minimum the government should not proceed with closing the existing rail line until their alternative light rail is fully funded and approved with a clear timetable for completion.

5.49 The committee believes that if the truncation of the Newcastle heavy rail line proceeds, the NSW Government should postpone the date of truncation until construction of the light rail service commences.

³²⁴ Submission 298, Hunter Environment Lobby Inc, p 1.

³²⁵ Submission 141, Dr Janet Aisbett, p 20.

³²⁶ Answers to questions on notice, Transport for NSW, p 1.

³²⁷ Answers to questions on notice, Transport for NSW, p 1.

Recommendation 5

That, if the truncation of the Newcastle heavy rail line proceeds, the NSW Government postpone the date of truncation until construction of the light rail service commences.

Interim arrangements

5.50 The NSW Government announced that after the heavy rail line is truncated on 26 December 2014 and until the light rail service commences, shuttle buses will operate to transport passengers between Hamilton Station and the city centre. Transport for NSW advised the shuttle buses will:

- run every 10 – 15 minutes to meet every train
- be accessible, with low floor entry
- be clean and modern
- be air-conditioned
- have a seat for every customer
- have space for luggage
- carry surfboards at no extra charge
- provide additional services for special events in the city centre like New Year’s Eve and the Asian Cup.³²⁸

Impact on travel times

5.51 Numerous inquiry participants expressed concerns over the impact on travel times caused by the interim bus arrangements, particularly given the length of time the interim arrangements are expected to operate. Mr Peter Newey noted that construction on the light rail is not expected to commence until late 2015 and stated:

As this expected to take up to two years to complete, train travellers face having to “put up with” shuttle-bus services for three or four years (until light-rail service ready for use). How can government honestly expect people to tolerate spending much more time over such [a] long period to travel just 2km between Wickham and Newcastle than would take on train?³²⁹

5.52 The author of submission no. 190 also deemed the extended travel time for commuters as unacceptable, especially if the interim bus arrangements are expected to be in place for at least two years.³³⁰

³²⁸ Transport for NSW, *Revitalising Newcastle: shuttle bus information flyer* (4 December 2014), <<http://www.transport.nsw.gov.au/projects-wickham-transport-interchange>>

³²⁹ Submission 217, Mr Peter Newey, p 3.

³³⁰ Submission 190, Name suppressed, pp 3-4.

5.53 Dr Graham Boyd likewise raised the extended travel time as an issue of concern, suggesting that '[t]he initial proposal for the replacement bus service will take 15 to 20 minutes to do the four-minute train journey and when you start digging up Hunter Street, the buses will be queued up with all the cars, which will take more than 20 minutes.'³³¹

5.54 Professor Howard Dick asserted that the extended travel time caused by the interim bus arrangements would be a 'great inconvenience' for commuters and public transport users:

The Minister's statement that buses will leave Newcastle 25 minutes before each rail departure from Hamilton means that travellers will need to add about another 20 minutes to each trip (since the train now takes only 5-6 minutes to cover that distance). That translates into an almost 60% increase in journey time from Newcastle to Maitland (fast service now 35 minutes) or to Fassifern (34 minutes). From December 26, each journey will take almost an hour. That will be a great inconvenience (an extra 3 hours per week for daily commuters) and hardly encourage public transport usage to the CBD.³³²

5.55 The impact on travel times was also considered in chapter 4.

Accessibility

5.56 Many inquiry participants questioned the ability of the shuttle bus service to accommodate the needs of all travellers. Hunter Environment Lobby Inc. commented:

Most regional commuters who catch the train regularly or infrequently to Wickham, Civic and Newcastle Stations do so for a reason, trains are quicker, more comfortable, reliable and passengers are able to take wheelchairs, prams and strollers, bicycles and surfboards on the trains. There is absolutely no guarantee that one train load of passengers from one train could fit on a bus at any one time.³³³

5.57 Concerns about fitting a trainload of passengers on to a bus were echoed by Ms Jan Davis, who observed:

There is absolutely no guarantee that one trainload of passengers from one train could fit into a bus at any one time. While travelling yesterday to Newcastle on the train from Maitland there were two full carriages of the way comprising four bicycles, two wheelchairs, three prams and several boogie boards, not to mention a seeing eye dog.³³⁴

5.58 Local Living Dungog noted that many passengers use the train to go to the beach or other outings, often taking surfboards and bicycles, and submitted that these trips will be difficult and crowded on a bus.³³⁵

³³¹ Evidence, Dr Graham Boyd, Secretary, Hunter Commuter Council, 21 November 2014, p 70.

³³² Submission 220, Professor Howard Dick, p 7.

³³³ Submission 298, Hunter Environment Lobby Inc., p 2

³³⁴ Public forum, Ms Jan Davis, 21 November 2014, p 18.

³³⁵ Submission 288, Local Living Dungog, p 2.

- 5.59** Accessibility for elderly passengers who have to disembark and then board a different mode of transport were also raised, as highlighted by Hunter Communities Network:

There has been no consideration by the Government of the many elderly citizens who use the train service into Newcastle to attend medical or business appointments. Elderly rail users do not wish to have their journey disrupted by having to disembark the train and board a different mode of transport to reach their final destination.³³⁶

- 5.60** Issues with ease of access for the elderly and disabled were similarly highlighted by Mrs Helen Sharrock:

It is unbelievable that a government would remove infrastructure which works well and replace rail with buses which create traffic congestion, do not offer easy access for the disabled and elderly. Buses are too high to step into with a large suitcase and nobody to assist. I walk with my suitcase to Newcastle station to travel to Sydney which has easy access and there is staff to assist if required.³³⁷

- 5.61** Concerns about changing modes of transport were also considered in chapter 4.

Committee comment

- 5.62** The committee notes that construction of the light rail is not expected to commence until late 2015, and there is no defined completion date. We note the concerns raised by inquiry participants regarding the interim shuttle bus arrangement, including increases in travel time and accessibility issues for passengers.
- 5.63** The committee acknowledges that Transport for NSW have advised that surfboards and other luggage can be carried on the buses, however, we question whether the buses can accommodate multiple passengers with prams, bicycles, surfboards and wheelchairs as the heavy rail can.
- 5.64** If the government does proceed with its plans for light rail, the committee is hopeful that its previous recommendation (Recommendation 5) concerning postponing truncation of the heavy rail until construction of the light rail commences, will address some of these concerns.

Use of rail corridor post-truncation

- 5.65** A key area of concern for inquiry participants was the future use of the heavy rail corridor once the line ceases to operate beyond Wickham, with some inquiry participants expressing suspicion over the government's intentions for the corridor. Mr Amos encapsulated this view:

There were political undertakings that the rail corridor would be preserved 'forever' for public use. Former Planning Minister, Brad Hazzard, was quoted in the media guaranteeing this. However, the current Planning Minister, Pru Goward, has overturned that guarantee and announced that sections of the corridor will be available for development. This backflip demonstrates why any commitment by the

³³⁶ Submission 228, Hunter Communities Network, p 1.

³³⁷ Submission 80, Mrs Helen Sharrock, p 2.

current government, be it to retain the rail corridor or install light rail, is taken with a degree of mistrust.³³⁸

Mine subsidence

- 5.66** A number of inquiry participants noted that once the rail line is truncated, the rail corridor would hold significant development potential for high rise developments because the corridor is not subject to mine subsidence.³³⁹ Dr Sue Outram and Mr Andrew Zdenkowski expressed concern that one of the key factors behind the decision to truncate the rail line was that the corridor could then be sold as a cost-effective parcel of land to build on compared to the rest of the CBD:

The now well publicised fact that the rail corridor contains the last parcels of developable land not subject to mine subsidence, and therefore attractive to developers, has led to more cynicism and distress in the public of Newcastle. Thus there is a feeling that profits to be made by a privileged few from the development of the rail corridor is a strong factor in the decision to remove the rail.³⁴⁰

- 5.67** Mr Darrell Harris, Adviser, Save Our Rail NSW said that he was aware of two small mining drifts that go from one side of the rail line to the other, but described these as ‘not substantial’ and ‘very little compared to the rest of the city’.³⁴¹
- 5.68** Stakeholders observed that the lack of mine subsidence along the rail corridor renders the land particularly attractive for prospective property developers due to the high costs associated with remediating subsided land. For example, one submission maker stated:

It is common knowledge that the land on which the rail line sits is not undermined, which is a problem that plagues most development sites in Newcastle. The cost of grouting undermined sites makes them uneconomical to develop and was the touted cause of a Nathan Tinkler led development ‘Honeysuckle Central’ to fail. This increases the attractiveness and potential economic return from prime waterfront land that is not undermined and brings into question the motivation of developer donations to politicians that are involved in freeing up such land for development.³⁴²

- 5.69** Concerns about developer influence are discussed in chapter 6.
- 5.70** Mr Sansom also commented on the cost advantages of constructing on non-subsided land, suggesting that the lack of subsidence increased the likelihood of high-rise construction:

³³⁸ Submission 96, Mr Andrew Amos, p 8. See also Submission 23, Ms Veronica Antcliff, p 7.

³³⁹ The NSW Mine Subsidence Board describes mine subsidence as ‘the lowering or settling of the land’s surface after underground mining has taken place. Not all mining results in subsidence nor does all subsidence cause damage to surface structures ... Once mining has taken place, the forces in the ground are redistributed and there is a tendency for the void to close. Some of this effect may be transferred to the surface, resulting in mine subsidence.’

NSW Mine Subsidence Board, *Mine subsidence – a guide for council staff*, January 2006, p 2.

³⁴⁰ Submission 21, Dr Sue Outram and Mr Andrew Zdenkowski, p 2.

³⁴¹ Evidence, Mr Darrell Harris, Adviser, Save Our Rail NSW Inc., 7 November 2014, p 79.

³⁴² Submission 274, Name suppressed, p 2.

The only reason for closing the railway is that the railway is on a strip of land that has not been undermined. If the developers can build on that land they will not have to contact the department of mines and the mine workings will not have to be filled with concrete. Filling the old mine workings with concrete or grouting adds significantly to the cost of construction and even then there [are] still restrictions on the height of the building. Conversely, if there no mine workings, then there is no limit on the height of the building.³⁴³

5.71 The prospect of a strip of high-rise development was detested by one submission author who stated: ‘We know that the strip of land the train runs on has not been undermined, therefore it is ripe for a developer with the possibility of a twenty story high building strip turning Newcastle into a mini Gold Coast’.³⁴⁴

5.72 Mr Peter Newey expressed scepticism that the rail corridor would only be used for low-rise development, as had been suggested by the government:

When government first announced decision to close inner-city rail-line, it said that rail corridor would be preserved as ‘open space’. Later the Minister for Transport (also Minister for Hunter) declared that parts of corridor could be made available for ‘low-rise’ development. In my view this is ‘thin edge of wedge’ for full-scale high-rise development as [the] corridor land [is] the only part of inner city area not affected by old underground mine workings.³⁴⁵

5.73 Save Our Rail NSW expressed fears that the government had already made plans to develop the corridor for residential and commercial purposes, noting that neither the Premier nor the Minister for Planning had ruled out the possibility of such development occurring:

There is strong evidence to support the argument that the government plans to make some of the rail corridor land [available] for housing and commercial development. Save Our Rail is convinced that UrbanGrowth and the Minister for Planning and Infrastructure have completed plans that they will reveal pursuant to a staged development application process. The SEPP enables any development on the rail corridor to be of significant height, particularly as it is not undermined. Premier Baird has refused to rule out such development as has Minister Goward.³⁴⁶

Creation of a new barrier

5.74 Some inquiry participants were concerned that any high-rise development along the rail corridor would create a new barrier between the city and the waterfront, negating one of the main purposes of truncating the rail line. EcoTransit Sydney said that the potential for a ‘curtain-wall’ of buildings would be contrary to the stated aim of improving connectivity between the city and the foreshore:

... a very substantial proportion of any land on which high-rise buildings could be constructed lies within the narrow rail corridor, that the total area of such land is relatively small, and that redevelopment would result in a curtain-wall of highrise

³⁴³ Submission 47, Mr Peter Sansom, p 4.

³⁴⁴ Submission 76, Name suppressed, p 1.

³⁴⁵ Submission 217, Mr Peter Newey, p 1.

³⁴⁶ Submission 329, Save Our Rail Inc, p 21.

structures that would negate the purported aim of ‘opening up’ the historic core of Newcastle to the foreshore.³⁴⁷

- 5.75 Similarly, the Property Council of Australia expressed the view that high-rise development along the corridor would re-establish a barrier between the city and the waterfront, and advocated for the rail corridor to be retained as a public space. Mr Glenn Byres, NSW Executive Director, Property Council of Australia, said:

[W]e have quite clearly said – and it is reflected in several of our submissions – that we want to see public activation along that rail corridor, whether it is walkways, cycleways, et cetera. Would you perhaps consider some adaptive reuse for a café-type facility down at some of the heritage buildings, at the railway station, for example – yes, but that is about public activation ... if you are asking if we would support high-rise commercial or residential in that corridor, the answer is no.³⁴⁸

- 5.76 Mr Byres emphasised: ‘We [the Property Council] have been quite consistent in saying you do not remove one barrier by imposing another’.³⁴⁹

- 5.77 Mr Chris Chapman, Managing Director, Colliers International Newcastle, supported the potential for low rise development along the rail corridor, but was adamant that high rise development along the corridor would be inappropriate:

There is no point removing the railway line and then putting up buildings where you would have crossings because that is ridiculous, and I can’t imagine anyone would do that. If you walk along it you can see there are places where it is quite wide and open and that may suit single level café-restaurant-style development. There is certainly some up our way, at the East End, where I think there could be potentially some low level [development]. I don’t necessarily think that you couldn’t have that in places but I would never ever, ever support, under oath, high rise or significant development along that corridor ever.³⁵⁰

Current planning for future rail corridor use

- 5.78 When questioned on the existence of plans for the future use of the rail corridor, government representatives advised that no final decisions had been made. Mr Peter Anderson, Head of Wholesale, Projects Division, UrbanGrowth NSW, advised that UrbanGrowth NSW was still considering future uses for the rail corridor and that it is ‘...yet to make any recommendations to government on how the rail corridor could best contribute to the renewal of the city centre’.³⁵¹

- 5.79 Mr Anderson stated that analysis of potential future use was underway, with public consultation anticipated to occur in the event of any changes in land usage:

³⁴⁷ Submission 269, EcoTransit Sydney, p 2.

³⁴⁸ Evidence, Mr Glenn Byres, NSW Executive Director, Property Council of Australia. 24 November 2014, p 44.

³⁴⁹ Evidence, Mr Byres, 24 November 2014, p 44.

³⁵⁰ Evidence, Mr Chapman, 21 November 2014, p 15.

³⁵¹ Evidence, Mr Peter Anderson, Head of Wholesale, Projects Division, UrbanGrowth NSW, 24 November 2014, p 27.

What we are actually doing is the analysis of that corridor land. So no decision – I need to reiterate this for the committee – has been made by government with regard to doing that. We will do the analysis work on the corridor, with the drivers of that urban renewal strategy and the objectives of the strategy and then report back to government what the options are. I think the significant thing is, as the Department of Planning has actually stated, that any change of use in there will require a public consultation period.³⁵²

- 5.80** Ms Carolyn McNally, Secretary, Department of Planning and Environment, similarly indicated that she was of the understanding that UrbanGrowth NSW was yet to determine the future use of the corridor, and that public consultation would occur before any final decision was made:

I think UrbanGrowth is still formulating its view about how best to use that corridor. The Minister has come out previously saying that there will be a process of consultation. So that work is still in progress ... I would expect that once it [UrbanGrowth] formulates its view, and it has the responsibility within Government for the urban revitalisation, that it would need to go out and consult.³⁵³

- 5.81** Ms McNally advised that if the rail corridor were to be used for purposes other than rail, it would require rezoning³⁵⁴ and would need to go through a ‘typical’ approval process.³⁵⁵
- 5.82** Mr Anderson emphasised that any future recommendation regarding the land would be ‘consistent with the objectives of the [urban renewal] program’.³⁵⁶
- 5.83** On 3 December 2014 the Premier, the Hon Mike Baird MP, said that the Newcastle City Council would have to endorse any development on the unused rail corridor:

Under our plan Newcastle Council will have the final say about what development occurs on the former rail corridor and it must tick off on any proposal before it proceeds. I know the council and some in the community have concerns about this project. We want to ensure we get the best outcome for Newcastle, which is why we are taking this step ... Given the importance of this once-in-a-generation revitalisation process, we believe it is critical that Newcastle Council plays a key role in the planning decisions for the city’s future.³⁵⁷

Committee comment

- 5.84** The committee acknowledges that some inquiry participants are sceptical about the NSW Government’s intentions for the future usage of the heavy rail corridor once (or if) the rail line is truncated at Wickham. Much of this suspicion stems from the fact that the rail corridor is

³⁵² Evidence, Mr Anderson, 24 November 2014, p 38.

³⁵³ Evidence, Ms McNally, 24 November 2014, p 18.

³⁵⁴ Answers to questions on notice, Ms Carolyn McNally, Secretary, Department of Planning and Environment, 5 December 2014, p 6.

³⁵⁵ Evidence, Ms McNally, 24 November 2014, p 18.

³⁵⁶ Evidence, Mr Anderson, 24 November 2014, p 27.

³⁵⁷ Michelle Harris, ‘Premier Mike Baird confirms rail corridor open to development’, Newcastle Herald, 3 December 2014 < <http://www.theherald.com.au/story/2741384/rail-corridor-to-be-developed-premier/>>

not undermined, and thus more cost-effective for significant development than other areas of the Newcastle CBD. Inquiry participants were further concerned that any development on the rail corridor would create a new barrier to the waterfront, which would be contrary to one of the most cited justifications for the removal of the rail line.

- 5.85** The committee also acknowledges the evidence from government representatives that no plans have been finalised for the use of the rail corridor, and that any plans to change the usage of the corridor would require an approval process and public consultation.
- 5.86** The committee considers that if the rail line is to be truncated, it is vital that the rail corridor remain for public use, and, if any development on the corridor occurs, it should be low scale development associated with community, recreational and public uses only. The committee further considers it critical that any proposed development on the corridor be subject to a transparent planning process, under the control and direction of Newcastle City Council, that involves ample opportunity for public consultation.

Recommendation 6

That, if the truncation of the Newcastle heavy rail line proceeds, the NSW Government ensure that the unused portion of the rail corridor be used only for low scale development associated with community, recreational and public uses.

Recommendation 7

That, if the truncation of the Newcastle heavy rail line proceeds, the NSW Government ensure that any proposed development on the unused portion of the rail corridor be subject to a transparent planning process, under the control and direction of Newcastle City Council, that involves ample opportunity for public consultation.

Concerns regarding the Wickham interchange

- 5.87** The construction of the Wickham Transport Interchange also provoked consternation amongst inquiry participants. While some support was expressed for the interchange, many were unconvinced that the proposed interchange would adequately meet the needs of public transport users. This section of the report discusses those concerns.
- 5.88** It should be noted that the majority of these concerns were received by the committee before Minister Berejiklian announced that the Wickham Transport Interchange had received planning approval on 14 November 2014.³⁵⁸

³⁵⁸ Media release, Hon Gladys Berejiklian MP, Minister for Transport and Minister for the Hunter, 'Revitalisation of Newcastle CBD continues as Wickham Interchange gets the green light', 14 November 2014.

Review of Environmental Factors

5.89 As noted in chapter 2, on 30 July 2014 the Minister for Transport and Minister for the Hunter, the Hon Gladys Berejiklian MP, released the Review of Environmental Factors of the Wickham Transport Interchange.³⁵⁹ The review was on display for public comment from 30 July until 30 August 2014.³⁶⁰

5.90 The review report, together with the AECOM transport management and accessibility plan (discussed in chapter 2), were supported by Mr Matthew Newman, who espoused the benefits of the proposed transport plans to the city. According to Mr Newman, the reports provide:

... an effective and reliable transport network that includes heavy rail, light rail, buses and I believe could be bolstered by an extension of the city's ferry network – to include terminals at Wickham to support the new interchange and a terminal at Nobbys Beach to support the crowds that come to the city for our world-class beaches. This would subdue any pressure on the existing and new transport systems whilst providing an added social benefit to our city.³⁶¹

5.91 However, other inquiry participants were critical of the proposed Wickham interchange, questioning the quality of the review and the location and design of the interchange. Some participants also queried the interchange's functionality.

Criticisms of the review

5.92 Inquiry participants questioned the thoroughness and quality of the Review of Environmental Factors for the Wickham Interchange. For example, Two More Trains for Singleton argued that the review did not adequately consider the consequences of the transport changes on affected commuters or the broader Hunter region:

The failure to consider the regional planning context is demonstrated by the poor quality of the Wickham Interchange Review of Environmental Factors which shows that it has been prepared in the absence of any transport planning for Newcastle, with a lack of appreciation of the consequences of the proposal for both public and private transport and accessibility within the city. Costs of modal change of transport, especially for aged, disabled and children are so high that they are likely to avoid trips. Train trips to Newcastle Beach will be prevented, and regional accessibility and amenity will be reduced.

The transport needs of rail passengers, especially travellers from the Upper Hunter, Dungun and elsewhere in the Hunter region is barely addressed ...³⁶²

5.93 Planning Plus also criticised the review, suggesting that it lacked adequate consideration of the impact of ceasing train services between Wickham and Newcastle and the future introduction of the light rail:

³⁵⁹ NSW Government, *Revitalising Newcastle, Wickham Transport Interchange* <<http://revitalisingnewcastle.com.au/projects/wickham-transport-interchange.aspx>>.

³⁶⁰ Submission 253, NSW Government, p 20.

³⁶¹ Public forum, Mr Matthew Newman p 21.

³⁶² Submission 59, Two More Trains for Singleton, p 2.

... the REF does not provide any review or assessment of the impact of the final two aspects [ceasing rail services and introducing light rail]. In particular, there is no assessment of the transport, economic and strategic consequences of terminating rail services, including:

- impacts on accessibility to the Newcastle city centre (that is, the ‘ability to reach desired activities with reasonable time, cost and effort’)
- likely consequences to patronage levels, future service levels and traffic generation
- likely implications to urban renewal projects, including key strategies such as the City Campus
- cost-benefit assessment of the proposal or comparison with alternatives.³⁶³

5.94 Planning Plus concluded that ‘[c]onsequently, a decision has been made to terminate services (as of 26 December 2014) without any proper evaluation of the likely impacts and consequences. This represents a clear failure of the planning system’.³⁶⁴

5.95 Two More Trains for Singleton suggested that the construction of the interchange should be deferred until further analysis is undertaken of the economic and environmental impacts:

The proposal should not proceed or be deferred for a full environmental impact statement and independent review. In particular, the lack of economic justification to support the proposal, and the failure to consider alternatives are major flaws.³⁶⁵

Criticisms of the proposed location

5.96 A number of inquiry participants suggested that the choice of Wickham as the location for the interchange was problematic and would result in significant disruption for commuters and traffic. Some alternative sites were identified that, in the opinion of inquiry participants, provided a better option than the Wickham proposal.

5.97 Dr Bruce McFarling, Visiting Professor in Economics, International College Beijing, China Agricultural University, articulated his concerns about the location of the interchange, suggesting that it would significantly add to the ‘transport gridlock’ that is currently experienced around Wickham:

The main concern is that the current transport gridlock in the area is that the Stewart Avenue, King Street and Hunter Street intersection, which would be just south of that interchange location, and an interchange location will attract traffic that is not going to be using the bus or light rail to access the interchange station, but they will be driving through access to the interchange station, and that traffic is going to increase the problem of congestion at Hunter Street and King Street with Stewart Avenue. That is the primary issue. As congestion becomes a more serious problem, if the central business district continues to develop, the existing hot spots are going to become even more problematic.³⁶⁶

³⁶³ Submission 317, Planning Plus, pp 4-5.

³⁶⁴ Submission 317, Planning Plus, p 5.

³⁶⁵ Submission 59, Two More Trains for Singleton, p 4.

³⁶⁶ Evidence, Dr McFarling, 24 November 2014, p 55.

- 5.98** When asked if truncating the line at Wickham would aggravate existing traffic problems on Stewart Avenue and its surrounds as traffic to and from the interchange increased, Dr McFarling replied: ‘Yes and, paradoxically, the more effective the interchange station is the greater the impact on motor vehicle transport will be’.³⁶⁷
- 5.99** Dr McFarling submitted that ‘... a location that does not have those impacts at Stewart Avenue would be more appealing’.³⁶⁸
- 5.100** The NSW Commuter Council also considered that the Wickham Interchange would result in a traffic ‘bottleneck’, despite the fact that the rail station had recently been upgraded to alleviate traffic congestion:

Millions of dollars were spent very successfully on Wickham Rail Station a few years ago to minimise delays on the Pacific Highway that is Stewart Avenue. These delays now are down to a maximum one minute or about 10 per cent of possible through time during peak hours. This huge investment will not only be negated but aggravated by placing a bus interchange right at the worst bottleneck of the Highway.³⁶⁹

- 5.101** Two More Trains for Singleton was highly critical of building an interchange at Wickham, suggesting that ‘it is clearly a significant waste of public money to replace functional transport infrastructure with a new railway station that is poorly located, does not link with anything, and causes significant user inconvenience and traffic congestion’.³⁷⁰
- 5.102** Professor Howard Dick proposed that a more suitable site for an interchange would be at Woodville, on the basis that there was more room at the site and it would be easier to construct a light rail that linked to locations other than the Newcastle city centre:

If truncation were to proceed, it would make a great deal more sense to truncate at the rail junction at Woodville, where there is much more room than at Wickham for a proper multi-modal interchange and which is also closer to the necessary stabling yards. Here a modern intercity station (Newcastle Central) could be built with road access built above it and integrated with adjacent commercial spaces and facilities. From Woodville, a proper light rail network could fan out with immediate priority to the University campus, Wallsend and, via the completed bypass link, to John Hunter Hospital.³⁷¹

- 5.103** Another suggestion was proffered by Mr Peter Newey, who proposed Broadmeadow as a more practical alternate location for an interchange:

If government insists on ‘truncating’ Newcastle rail-line, wouldn’t it be more practical and far less costly to make Broadmeadow the terminus for all trains from Sydney and Hunter Valley, and use rail-line between Broadmeadow and Newcastle for light-rail service?³⁷²

³⁶⁷ Evidence, Dr McFarling, 24 November 2014, p 56.

³⁶⁸ Evidence, Dr McFarling, 24 November 2014, p 55.

³⁶⁹ Submission 299, NSW Commuter Council, p 2.

³⁷⁰ Submission 59, Two More Trains for Singleton, p 2.

³⁷¹ Submission 220, Professor Howard Dick, p 5.

³⁷² Submission 217, Mr Peter Newey, p 4.

Functionality of the interchange

- 5.104** Some inquiry participants questioned the functionality of the interchange, arguing that it should be more correctly referred to as a terminus as it appears there will be limited connectivity to other forms of transport for commuters. For example, Two More Trains for Singleton said:

[T]he description of the Wickham proposal as an interchange is incorrect. The project is a rail terminus not an interchange, with no information on how the new railway station will connect with buses, ferries, bicycle routes, pedestrian traffic or the foreshadowed light rail.³⁷³

- 5.105** Planning Plus identified design, site and traffic constraints as inhibiting the ability of the Wickham site to serve as an effective transport interchange:

The proposed rail terminal at Wickham is consistently described as a ‘transport interchange’. However, examination of the recent Review of Environmental Factors shows that this is not an accurate description. The published proposals show only a stub-end terminal station, with no provision for passengers to conveniently change from rail to tram, bus, taxi, bicycle (or the Stockton ferry).

To provide a convenient transfer between rail and tram/bus, it would be necessary to bring platforms for both modes alongside each other, which is standard practice overseas. However, this is not possible due to the constraints of the site, which is too narrow to permit such a configuration.

The location is also unsuitable as it is likely to generate further significant traffic congestion in the vicinity, due to the confined nature of the site and proximity to the Stewart Avenue-Hunter Street intersection.³⁷⁴

- 5.106** Planning Plus contended that ‘[t]he proposals show an unbelievable lack of understanding of the requirements for a major city centre transport terminal, and a wide gulf with current international best practice.’³⁷⁵

- 5.107** Mr Amos expressed doubt as to whether the design of proposed interchange would be able to provide the ‘seamless transfer’ between transport modes promised in the Review of Environmental Factors:

The proposed Wickham transport interchange, as exhibited in the Review of Environmental Factors in August 2014, does not measure up to the promises made the people of the Hunter as being a ‘world class’ transport interchange that would provide ‘seamless’ transfer between transport modes – train, bus, taxis and private cars. In fact, the exhibited plans for the interchange display provisions for bus transfer that are far inferior to those at the present Newcastle Station and many suburban rail stations.³⁷⁶

³⁷³ Submission 59, Two More Trains for Singleton, p 2.

³⁷⁴ Submission 317, Planning Plus, pp 3-4.

³⁷⁵ Submission 317, Planning Plus, p 4.

³⁷⁶ Submission 96, Mr Andrew Amos, p 1.

- 5.108** According to Mr Amos: ‘In order to shoe horn the interchange into a very limited site, the function of the interchange is seriously compromised and the proposed structure does not in any way represent a modern multi-modal transport interchange’.³⁷⁷

Criticisms of the proposed design

- 5.109** Other stakeholders were also critical of the proposed design for the interchange as exhibited with the Review of Environmental Factors.³⁷⁸ For example, Ms Joan Dawson, President, Save Our Rail NSW, described it as a ‘carport on steroids’.³⁷⁹
- 5.110** One submission author expressed concern that the proposed design of the interchange appears to provide commuters with less amenity than the existing Newcastle Station:

Why would the excellent Newcastle Train Station be mothballed in favour of the proposed Wickham Structure (a sketch, again no plan available) which appears not to offer basic shelter from the weather. It has only a roof with no sides which will allow wind and rain to make those waiting cold and uncomfortable.³⁸⁰

- 5.111** Two More Trains for Singleton questioned the ability of the proposed design to meet the needs required for an effective interchange:

The chosen location and design mean that the project will not work as an interchange, and is not integrated into the functionality of the Newcastle centre. If it is to form a key location for interchange with a metropolitan light rail system for Newcastle, then this should be allowed for in the design. There is no such provision. The breathtaking short sightedness of this expensive removal of infrastructure and its replacement with a temporary dead end is contrary to good public policy and should be reversed.³⁸¹

- 5.112** In the November 2014 announcement that the Wickham Transport Interchange had received planning approval, Minister Berejiklian indicated that the final design of the interchange had yet to be determined.³⁸² The Minister said:

I want to assure the community that when a contractor is selected to design and build the interchange, their first job will be to review the design and ensure the community’s feedback is considered.³⁸³

³⁷⁷ Submission 96, Mr Andrew Amos, p 9.

³⁷⁸ An artist’s impressions of the proposed Wickham Transport Interchange can be found in chapter 2.

³⁷⁹ Evidence, Ms Joan Dawson, President, Save Our Rail NSW Inc. 7 November 2014, p 76.

³⁸⁰ Submission 76, Name suppressed, p 1.

³⁸¹ Submission 59, Two More Trains for Singleton, pp 2-3.

³⁸² Media release, Hon Gladys Berejiklian MP, Minister for Transport and Minister for the Hunter, ‘Revitalisation of Newcastle CBD continues as Wickham Interchange gets the green light’, 14 November 2014.

³⁸³ Media release, Hon Gladys Berejiklian MP, Minister for Transport and Minister for the Hunter, ‘Revitalisation of Newcastle CBD continues as Wickham Interchange gets the green light’, 14 November 2014.

Committee comment

- 5.113** The committee notes that while there was some support expressed during the inquiry for the proposed Wickham Transport Interchange, the majority of inquiry participants were not convinced that the interchange would adequately meet the needs of public transport users. Questions were raised regarding the quality of the Review of Environmental Factors, as well as the location, design and functionality of the interchange.
- 5.114** The committee accepts the balance of opinion presented to it that the proposed transport interchange at Wickham will produce significant negative outcomes for both local traffic and public transport users. These problems are intrinsic to the site chosen for the interchange and do not appear to be able to resolved by further design refinements.

Chapter 6 Developer influence on rail decisions

One of the key themes raised during the inquiry was the perceived influence that developers have had on decision making processes in Newcastle and the broader Hunter region. This chapter examines the concerns raised in regard to developer influence on decisions regarding the truncation of the heavy rail line and the proposed light rail route. Concerns regarding developer influence on other planning decisions, such as the State Environment Planning Policy (SEPP) Amendment (Newcastle City Centre) 2014, will be examined in the committee's final report.

Operation Spicer

- 6.1 Concerns about inappropriate influence in Newcastle planning decisions are being examined by the Independent Commission Against Corruption (ICAC) investigation 'Operation Spicer', which is examining allegations of illegal donations made to members of Parliament:

... the ICAC is investigating allegations that certain members of parliament and others corruptly solicited, received and concealed payments from various sources in return for certain members of parliament and others favouring the interests of those responsible for the payments. It is also alleged that certain members of parliament and others solicited and failed to disclose political donations from companies, including prohibited donors, contrary to the *Election Funding, Expenditure and Disclosures Act 1981*.³⁸⁴

- 6.2 The scope and purpose of Operation Spicer contain a number of matters of direct relevance to Newcastle, including (but not limited to):

e) the circumstances in which the 2011 election campaign for the seat of Newcastle was funded by the Liberal Party, and whether funds were solicited and received from prohibited donors, including Buldev Pty Limited, Nathan Tinkler, Jeff McCloy, Hilton Grugeon and other persons and companies associated with them;

f) whether members of Parliament, including Christopher Hartcher MP and Michael Gallacher MLC, solicited and received donations from prohibited donors for use in the Liberal Party 2011 State election campaign, including in the seat of Newcastle;

g) whether parties and persons, including Buldev Pty Limited, Nathan Tinkler, Darren Williams, David Sharpe, Jeff McCloy and Hilton Grugeon improperly sought to influence certain members of Parliament by making donations during the 2011 State election campaign.³⁸⁵

- 6.3 The full scope and purpose of Operation Spicer is available at Appendix 7.

³⁸⁴ Independent Commission Against Corruption, *Current investigations*, <<http://www.icac.nsw.gov.au/investigations/current-investigations>>.

³⁸⁵ Independent Commission Against Corruption, *Operation Spicer – Amended Scope and Purpose – 12 September 2014*, <<http://www.icac.nsw.gov.au/images/Spicer%20PI%202/legal%20spicer%20scope%20and%20purpose%2012%20september%202014.pdf>>.

- 6.4** In August 2014, the then Lord Mayor, Jeff McCloy, who is also a property developer, resigned from office after admitting to ICAC that he had made illegal donations to the now former Liberal MPs Tim Owen and Andrew Cornwell.³⁸⁶
- 6.5** Mr Owen, former member for Newcastle, and Mr Cornwell, former member for Charlestown, also resigned from office in August 2014 after making certain revelations during Operation Spicer. Mr Owen admitted lying to ICAC about returning \$10,000 he received from Mr McCloy, which he had actually used to fund his election campaign,³⁸⁷ and was allegedly aware of receiving money from the property development company Buildev.³⁸⁸ Mr Cornwell admitted to accepting \$20,000 of illegal payments from Mr McCloy and Hunter property developer Hilton Grugeon.³⁸⁹
- 6.6** At the time of writing, Operation Spicer remains an active investigation. The ICAC anticipates reporting to Parliament in January 2015,³⁹⁰ although this may be delayed due to the case of *Cunneen v ICAC* [2014] NSWCA 421.³⁹¹

Concerns about developer influence

- 6.7** Stakeholders expressed significant concerns about the level of developer influence on the decisions to truncate the heavy rail and the proposed light rail route. These concerns stem from the expectation that terminating the rail line at Wickham and running the light rail down Hunter Street will release the unused rail corridor for development (as discussed in chapter 4) and increase property values near Wickham station. The evidence revealed through recent ICAC hearings for Operation Spicer have fuelled these concerns.
- 6.8** For example, noting that the rail corridor is not undermined, Mr Kevin Harrison asserted:

It is hard not to come to the conclusion that ... this decision has been taken to allow the state government to sell the rail corridor land and for developers to get land which will be easier and more profitable to develop than other locations in the city.³⁹²

³⁸⁶ Sean Nicholls and Jason Gordon, 'Newcastle mayor Jeff McCloy quits before being pushed', *Sydney Morning Herald*, 18 August 2014; Liz Farquhar, 'Jeff McCloy resigns as Newcastle Mayor over ICAC probe into Liberal Party banned donations scandal', *ABC News*, 17 August 2014.

³⁸⁷ Transcript of Proceedings, Operation Spicer (Independent Commission Against Corruption, E12/2107/0821, Latham J, 12 August 2014) p 5124T.

³⁸⁸ Transcript of Proceedings, Operation Spicer (Independent Commission Against Corruption, E12/2107/0821, Latham J, 8 August 2014) p 4954T; Michaela Whitbourn, Kate McClymont, 'MP Tim Owen knew Buildev illegally funded his campaign, ICAC told', *Sydney Morning Herald*, 9 August 2014; Sarah Gerathy, 'ICAC: NSW MP Andrew Cornwell quits Liberal Party, won't seek re-election after 'huge mistake'', *ABC News*, 8 August 2014.

³⁸⁹ Transcript of Proceedings, Operation Spicer (Independent Commission Against Corruption, E12/2107/0821, Latham J, 7 August 2014) pp 4859T, 4861T-4862T and 4866T.

³⁹⁰ Independent Commission Against Corruption, *Current investigations*, <<http://www.icac.nsw.gov.au/investigations/current-investigations>>.

³⁹¹ Independent Commission Against Corruption, 'Statement regarding Operations Credo and Spicer', 5 December 2014, <<http://www.icac.nsw.gov.au/media-centre/media-releases/article/4707>>.

³⁹² Submission 34, Mr Kevin Harrison, pp 5-6.

6.9 Mr Harrison highlighted that the government had initially announced that it would keep the rail corridor in public hands and use it as ‘green space, pedestrian and cycle paths’, however, the Planning Minister, the Hon Pru Goward MP, has since stated that ‘some’ development will be permitted.³⁹³ Mr Harrison said: ‘I think this was always the intention. Instead of taking the cheapest route for the light rail line, the chosen route conveniently diverts from the best areas for development and runs down Hunter St.’³⁹⁴

6.10 Similar concerns were voiced by other inquiry participants, such as Mr David Suttor, who referred to the illegal donations accepted by some government members from developers and commented:

It is ... the developers generally who have the most to gain from the truncation of the rail line. For they have a desire to build on sections of the line, and in fact a Government minister was quoted in the media as confirming that sections of the line would be sold off for development.

I therefore feel that the Government hasn’t made their decision based on the best interests of the community. Rather, their motivation has been to benefit the developers from whom they have been accepting donations illegally.

The decision seems so illogical and makes no sense from a public policy perspective, hence, the reason to question the motives of the Government in making the decision.³⁹⁵

6.11 Mr Derek Dowding alleged outright that ‘[i]t has become apparent in the ICAC inquiry that illegal political donations were given to successful candidates in the Hunter and it is evident that one “payoff” for achieving a Liberal victory was the removal of the rail ...’.³⁹⁶

6.12 EcoTransit Sydney asserted that the recent ICAC events have ‘shattered’ public confidence in the planning process regarding the rail truncation, arguing that the truncation of the rail line between Wickham and Newcastle stations ‘has been heavily and persistently promoted by a small clique of Newcastle businesspersons, the affairs of which have recently achieved public notoriety through the Independent Commission Against Corruption’s Operation Spicer.’³⁹⁷ It expressed the view that:

The clique has been shown to have had improperly influential connections to politicians as well as privileged entré to planning authorities and consequently have had undue influence in planning matters. The resulting processes almost completely excluded the public. In the result, confidence in the planning process has been shattered.³⁹⁸

³⁹³ Submission 34, Mr Kevin Harrison, pp 5-6; Michelle Harris and Sam Rigney, ‘Rail corridor to be developed: Pru Goward’, *Newcastle Herald*, 3 June 2014.

³⁹⁴ Submission 34, Mr Kevin Harrison, pp 5-6.

³⁹⁵ Submission 6, Mr David Suttor, p 3.

³⁹⁶ Submission 189, Mr Derek Dowding, p 1

³⁹⁷ Submission 269, EcoTransit Sydney, p 1.

³⁹⁸ Submission 269, EcoTransit Sydney, p 1.

- 6.13** EcoTransit Sydney submitted that '[a] substantial period of open consultation and reassessment will be required' before public trust in the system can be regained.³⁹⁹
- 6.14** Following on from the recent ICAC events, concerns were particularly raised about the level of influence of the former Lord Mayor, Mr McCloy, on decisions regarding the rail line, given the fact that Mr McCloy has been a very vocal advocate for the heavy rail truncation.⁴⁰⁰
- 6.15** The potential financial benefit to Mr McCloy from removal of the rail line was highlighted by Save Our Rail NSW Inc., which noted that Mr McCloy owns a number of properties on either side of the rail corridor in the Newcastle East End and suggested that removal of the rail line would 'potentially result in direct movement between all of his properties.'⁴⁰¹
- 6.16** Similarly, Ms Karen Bolben noted that Mr McCloy was involved in a major campaign to remove the rail line – Fix Our City – and observed that as Mr McCloy owns several properties in and around Hunter Street, his development company 'stand[s] to gain a lot of money from acquiring former rail corridor land or the contract to develop it.'⁴⁰²
- 6.17** Inquiry participants questioned what impact Mr McCloy's donations to members of Parliament had on the closure of the rail line. For example, Mr Peter Sansom stated:
- Would it not be reasonable to assume that those donations would have been made with strings attached? Tim Owen was the main driving force behind the closure of the railway. Would it also be reasonable to assume that Jeff McCloy influenced ... [or] pushed him to have the railway removed. Considering the manner in which the decision was made to close a vital transport artery, considering that a vast majority of people want the railway to remain, considering the manner in which calls for the line to remain have been silenced and considering the total lack of planning associated with that closure, it is very clear that the decision to close the railway needs to be investigated.⁴⁰³
- 6.18** Clr Tim Crakanthorp⁴⁰⁴ also expressed concern about Mr McCloy's influence on the government, arguing that there has been insufficient transparency regarding the rail decisions:

These decisions [about the rail] increasingly appear to the community to have been greatly influenced by former Lord Mayor McCloy. Problematically for all involved, there has been very little transparency around how these decisions were made or what matters the relevant ministers took into account. Novocastrians are finding it almost impossible not to suspect that Ministers are more influenced by what benefits developers rather than what is best for our community.⁴⁰⁵

³⁹⁹ Submission 269, EcoTransit Sydney, p 1.

⁴⁰⁰ Penelope Green, 'McCloy says rail must go', *Newcastle Herald*, 12 February 2013; Jade Ginnane, 'McCloy to be Mayor', *Newcastle Star*, 10 September 2012.

⁴⁰¹ Submission 329, Save Our Rail Inc., p 7.

⁴⁰² Submission 378, Ms Karen Bolben, p 2.

⁴⁰³ Submission 47, Peter Sansom, p 4.

⁴⁰⁴ Mr Crakanthorp was elected as the member for Newcastle on 25 October 2014.

⁴⁰⁵ Submission 268, Mr Tim Crakanthorp, p 4.

- 6.19** Concern was also raised about the impact of illegal donations from Buldev to the former member for Newcastle, Mr Owen. As articulated by Ms Bolben:

The fact that the member for Newcastle was found to have accepted illegal donations from Buldev, a firm that would stand to make a lot of money from potential commercial and residential development on the rail land, raises the prospect that the decision was initiated and motivated by the potential monetary gains this firm stood to make from development of the rail corridor.⁴⁰⁶

- 6.20** In response to the concerns raised by inquiry participants, Mr McCloy asserted that there is no evidence to show that he had improperly or unduly influenced levels of government in regard to decisions affecting Newcastle.⁴⁰⁷ As for influencing politicians in general, he declared: ‘Last time I checked the everyday work of business and politics was about influencing other people.’⁴⁰⁸

- 6.21** Mr Owen also responded to concerns raised by inquiry participants by pointing out that truncation of the rail line was recommended in the 2009 *Newcastle City Centre Renewal: Report to NSW Government*, which was commissioned by the former member for Newcastle, Ms Jodi McKay, years before he was elected.⁴⁰⁹ Mr Owen said:

... the pace and design of development within Newcastle has not veered from the initiatives outlined in that report. I might add that the report was commissioned by the previous member for the Hunter (Jodi McKay), accepted by her and the previous Labor government in NSW and included the rail truncation at Wickham ...⁴¹⁰

- 6.22** Further, Mr Owen stressed that all development and planning decisions concerning Newcastle were Cabinet decisions, and insisted: ‘I had no bearing or influence whatsoever on those processes and decisions. All are made on merit and exhaustive studies.’⁴¹¹

- 6.23** Other inquiry participants similarly argued that there has been no undue influence on planning decisions in Newcastle on the basis that decisions such as the truncation of the rail line have been in the making for many years. For example, referring to the 2009 Newcastle City Centre Renewal report, Mr Robert Monteath stated:

I contend that there has been no undue influence on the recent planning decisions made for the Newcastle CBD area by the then politicians who were elected in 2011 to State Parliament. These politicians have accepted the recommendations of the 2009 report and have encouraged the implementation of the report.⁴¹²

- 6.24** The Hunter Business Chamber also noted that the Newcastle urban renewal process commenced years ago, long before the corrupt activities occurred that have since been exposed through ICAC:

⁴⁰⁶ Submission 378, Ms Karen Bolben, p 2.

⁴⁰⁷ Right of reply from Mr Jeff McCloy, to Chair, 14 November 2014, p 1.

⁴⁰⁸ Right of reply from Mr McCloy, to Chair, 14 November 2014, p 2.

⁴⁰⁹ Right of reply from Mr Tim Owen, to committee, 14 November 2014, p 3.

⁴¹⁰ Right of reply from Mr Owen, to committee, 14 November 2014, p 4

⁴¹¹ Right of reply from Mr Owen, to committee, 14 November 2014, p 5.

⁴¹² Submission 27, Mr Robert Monteath, p 3.

The planning processes for the urban renewal of the Newcastle City Centre commenced long before the unacceptable and unfortunate circumstances surrounding the ICAC investigation of 2014. The community of Newcastle and the broader Hunter were shocked and angered by the details which have come to light in the course of the ICAC hearings involving representatives from both major political parties.

It is unfortunate that decisions which have been made following years of deliberation and countless reports initiated by State governments of both persuasions have now been brought into question and put at risk the future prosperity of Newcastle and the broader Hunter region.⁴¹³

Committee comment

- 6.25** The committee notes the concerns raised during the inquiry regarding perceived developer influence on the decision to cut the rail line, and considers it essential that all decisions made by government are made in the public interest.
- 6.26** While there is no doubt that banned property developer donations were made by the former Lord Mayor of Newcastle and other property developers to two former Hunter MPs, the committee has not received any evidence to prove that those donations had any impact on the decision to truncate the heavy rail or the proposed light rail.
- 6.27** Evidence of corruption may potentially come to light through Operation Spicer when it reports in January 2015. If so the committee will consider whether there is any new evidence of relevance to the matters being considered during this inquiry.

Conflicts of interest

- 6.28** Concerns were also raised during the inquiry regarding possible conflicts of interest held by the Hunter Development Corporation (particularly its General Manager), UrbanGrowth and GPT, in relation to the truncation of the rail line.

Hunter Development Corporation

- 6.29** As noted in chapter 2, the Hunter Development Corporation is part of the Department of Planning and Environment. The corporation works closely with other government agencies and stakeholders to pursue opportunities for economic growth in the Hunter.⁴¹⁴ It is a self-funded entity, with its main source of income being the proceeds of property sales.⁴¹⁵ The corporation owns a significant amount of land at Honeysuckle, along the Newcastle foreshore between Wickham and Civic.⁴¹⁶

⁴¹³ Submission 169, Hunter Business Chamber, p 9.

⁴¹⁴ Submission 253, NSW Government, Attachment 1, p 1.

⁴¹⁵ Submission 253, NSW Government, Attachment 1, p 2.

⁴¹⁶ Evidence, Mr Bob Hawes, General Manager, Hunter Development Corporation, 7 November 2014, p 3.

- 6.30** The 2009 Newcastle City Centre Renewal report, mentioned earlier, was produced by the Hunter Development Corporation. The report recommended removal of the rail line between Wickham and Newcastle and creation of a new terminus at Wickham.⁴¹⁷
- 6.31** Mr Alan Squire, Convenor, Hunter Transport for Business Development, contended that the corporation has a conflict of interest in regard to the truncation of the rail line as it stands to profit from redeveloping the released land:
- The basic conflict of interest is that the HDC [Hunter Development Corporation] itself has as its mission to coordinate the redevelopment of surplus railway. So, it seems odd to ask that organisation to decide whether or not the rail should be cut because they stand to gain themselves. They get the land to sell and their project philosophy is to be self-funding.⁴¹⁸
- 6.32** Mr Francis Young also raised the issue of the Hunter Development Corporation having a potential conflict of interest, noting how the terminating the train line at Wickham would benefit properties in the vicinity:
- I will not name names, but people own property, such as the HDC's assets and so on and the other organisations involved. One of the main things that Newcastle retailers say is that they depend on foot traffic. They want an increase in pedestrians passing their premises. If a rail service stops at Wickham, there will be many more pedestrians passing properties adjacent to Wickham station. It would be a commercial benefit if the rail service ends at Wickham.⁴¹⁹
- 6.33** Hunter Transport for Business Development criticised the 2003 government appointment of three directors of the Hunter Development Corporation to the Lower Hunter Transport Working Group, the role of which was to inquire into whether the rail line to Newcastle should be cut, given that cutting the rail line 'would render the rail land surplus so that HDC could redevelop the rail land and sell it.'⁴²⁰
- 6.34** The same concern was alluded to by Save Our Rail which suggested the reports produced by the working group were 'faulty' and based upon 'biased, flawed and misrepresented advice'.⁴²¹
- 6.35** Hunter Transport for Business Development argued that the conflict of interest continues today 'with HDC having the major role in recommending to government whether rail should be cut and where alternatives to heavy rail vehicles should run.'⁴²²
- 6.36** Specific concerns were raised about the corporation's General Manager, Mr Bob Hawes, who holds interests in two properties in Newcastle west, near Wickham station.⁴²³ One of those

⁴¹⁷ Hunter Development Corporation, *Newcastle City Centre Renewal: Report to NSW Government*, March 2009, p 3.

⁴¹⁸ Evidence, Mr Alan Squire, Convenor, Hunter Transport for Business Development, 21 November 2014, p 63.

⁴¹⁹ Public forum, Mr Francis Young, 21 November 2014, p 2.

⁴²⁰ Submission 282, Hunter Transport for Business Development, p 1.

⁴²¹ Submission 329, Save Our Rail NSW Inc., p 5.

⁴²² Submission 282, Hunter Transport for Business Development, p 1.

⁴²³ Evidence, Mr Hawes, 7 November 2014, p 2 and pp 8-9.

properties, on Beresford Street, is subject to a development application to build a nine storey mixed commercial/residential building.⁴²⁴

- 6.37** Mr Hawes commenced employment with the Hunter Development Corporation in March 2011. Prior to that he worked for the corporation as a consultant since 2007.⁴²⁵
- 6.38** Save Our Rail Inc. expressed concern to the committee about the influence of Mr Hawes on matters involving truncating the rail line at Wickham, as it is expected that the truncation may personally benefit Mr Hawes by increasing the value of his properties.⁴²⁶
- 6.39** Save Our Rail questioned whether Mr Hawes had disclosed his conflicts of interest in an appropriate and timely manner. The organisation claimed that Mr Hawes did not disclose his Beresford Street development application to the Hunter Development Corporation register until years after he had been ‘advocating for the Wickham Interchange project.’⁴²⁷ The organisation further submitted that Mr Hawes’ conflicts of interest are ‘inconsistent with his obligations as a senior public servant.’⁴²⁸
- 6.40** Claims about conflict of interest issues were strongly refuted by Mr Hawes and the Hunter Development Corporation. Mr Hawes told the committee: ‘[M]y interest has always been disclosed. It has been there for everyone to see. There has been nothing hidden.’⁴²⁹
- 6.41** In response to questioning from the committee as to when his interests were disclosed, Mr Hawes replied:
- It has been on the public record since March 2011, when I commenced employment with the Hunter Development Cooperation; and prior to that when I worked for them as a consultant through the period up to 2007.⁴³⁰
- 6.42** However, evidence received by the committee shows that the first entry on the corporation’s pecuniary interest register disclosing Mr Hawes’ interests near Wickham station is 14 November 2011.⁴³¹ Further, Mr Hawes informed the committee that he submitted the development application for the Beresford Street site ‘in 2005 or 2006’,⁴³² and the application was approved in 2010.⁴³³ According to evidence provided to the committee by the corporation, the first disclosure of Mr Hawes’ development application on its pecuniary interest register was 19 February 2013.⁴³⁴

⁴²⁴ City of Newcastle, Minutes of the Development Applications Committee Meeting, 11 May 2010, Item 11.

⁴²⁵ Evidence, Mr Hawes, 7 November 2014, p 11.

⁴²⁶ Submission 329, Save Our Rail NSW Inc., p 16.

⁴²⁷ Submission 329, Save Our Rail NSW Inc., p 16.

⁴²⁸ Submission 329, Save Our Rail NSW Inc., p 16.

⁴²⁹ Evidence, Mr Hawes, 7 November 2014, p 11.

⁴³⁰ Evidence, Mr Hawes, 7 November 2014, p 11.

⁴³¹ Answers to questions on notice, Mr Paul Broad, Chairman, Hunter Development Corporation, 2 December 2014, p 1.

⁴³² Evidence, Mr Hawes, 7 November 2014, p 10.

⁴³³ Right of reply from Mr Bob Hawes, to Chairman, 5 December 2014, p 4.

⁴³⁴ Answers to questions on notice, Mr Broad, Attachment C, p 3 and Attachment E, p 1.

- 6.43** In correspondence to the committee, however, Mr Hawes noted that the development approval on his Beresford Street property is on the public record through the development application process. Mr Hawes also advised that the status of the development approval has not changed since 2010, and stated: 'I do not have any intention of undertaking the project.'⁴³⁵
- 6.44** Concern was also raised during the inquiry regarding Mr Hawes' involvement in planning decisions involving the Wickham Interchange. For instance, former federal member for Newcastle, Ms Sharon Grierson, remarked: 'As a former director of HDC – then known as Honeysuckle Development Corporation – I am alarmed at the conflict of interest of Mr Bob Hawes but particularly I am alarmed at the failure of his chairman and his board to make him step aside from the Newcastle Urban Renewal Strategy'.⁴³⁶
- 6.45** In response to this concern, the Chairman of the Hunter Development Corporation, Mr Paul Broad, told the committee that Mr Hawes did not participate in any board meetings considering the proposed redevelopment at Wickham.⁴³⁷ Further to this, Mr Broad advised that the corporation's Board had only had one meeting since 2009 where it made a decision endorsing the Newcastle Urban Renewal Strategy and/or the future possible truncation of the rail line, and that Mr Hawes was not employed at the corporation at the date of that meeting.⁴³⁸
- 6.46** The Hunter Development Corporation asserted that the suggestion 'that a senior level bureaucrat has in some way had undue influence over process and outcomes given the matrix of boards, agencies, departments and broader stakeholders is ... nonsense.'⁴³⁹
- 6.47** The corporation acknowledged that it is 'vitaly interested and a significant stakeholder' in the urban renewal of Newcastle, due to its land ownership in Honeysuckle.⁴⁴⁰ However, it emphasised that while its views are frequently sought on land use planning and development, its role is 'independent of government formulating policy or statutory planning instruments.'⁴⁴¹
- 6.48** The Secretary of the Department of Planning and Environment, Ms Carolyn McNally, advised that the department is managing Mr Hawes' conflict of interest by 'ensuring that he is not party to any decision-making processes that relate to anything to do with the Hunter Development Corporation.'⁴⁴²
- 6.49** In response to the suggestions raised at paragraphs 6.33 - 6.34 that it was inappropriate for three directors of the Hunter Development Corporation to be appointed to the Lower Hunter Transport Working Group, the corporation replied:

⁴³⁵ Right of reply from Mr Bob Hawes, to Chairman, 5 December 2014, p 4.

⁴³⁶ Evidence, Ms Sharon Grierson, former federal member for Newcastle, 21 November 2014, p 39.

⁴³⁷ Evidence, Mr Paul Broad, Chairman, Hunter Development Corporation, 7 November 2014, p 11.

⁴³⁸ Answers to questions on notice, Mr Broad, p 1.

⁴³⁹ Right of reply from Hunter Development Corporation, to Chairman, 21 November 2014, p 4.

⁴⁴⁰ Right of reply from Hunter Development Corporation, to Chairman, 21 November 2014, p 2.

⁴⁴¹ Right of reply from Hunter Development Corporation, to Chairman, 21 November 2014, p 4.

⁴⁴² Evidence, Ms Carolyn McNally, Secretary, Department of Planning and Environment, 24 November 2014, p 15.

This is an absurd inference given the role of this State Government agency in this locality. Further, the Hunter Development Corporation directors appointed by Minister Costa to the Lower Hunter Transport Working Group, in addition to being representatives of Hunter Development Corporation (and therefore having specific knowledge of matters concerning urban renewal in Newcastle and of government processes), were also representative of the City of Newcastle in the case of Lord Mayor John Tate and of the Newcastle Trades Hall in the case of Mr Gary Kennedy.⁴⁴³

UrbanGrowth and GPT

- 6.50** Concerns were also raised during the inquiry regarding potential conflicts of interest held by UrbanGrowth, as a result of its relationship with the GPT Group, a publicly listed property group.
- 6.51** As noted in chapter 2, UrbanGrowth is the state's lead organisation responsible for urban transformation and was appointed to lead the Newcastle Urban Renewal and Transport Program, the role of which includes truncation of the heavy rail, construction of a new transport interchange at Wickham and introduction of a light rail system to Newcastle city centre.⁴⁴⁴
- 6.52** The GPT Group formerly owned 100 per cent of a 60,000 square metre retail landholding (the Hunter Street Mall) in the Newcastle East End which, in 2007, it had earmarked for a \$500,000 million⁴⁴⁵ (subsequently increased to \$600,000 million⁴⁴⁶) redevelopment. The redevelopment, however, was dependent upon a decision being made on the rail line, which GPT considered 'inhibits movement and access throughout the city centre, and the improvement of broader property market conditions.'⁴⁴⁷
- 6.53** In 2010, GPT withdrew its plans to redevelop the precinct, reportedly due to the indecision of the then Labor government on truncating the rail line.⁴⁴⁸ GPT subsequently put the site on the market in 2010 and again in 2011 but was unable to find a purchaser.⁴⁴⁹
- 6.54** In June 2012 it was announced that an arrangement had been made for UrbanGrowth NSW to purchase a two-third land holding in the site for \$20 million⁴⁵⁰ (it is reported that GPT originally paid in the vicinity of \$100 million when it purchased the site prior to the Global Financial Crisis).⁴⁵¹ GPT retains the other third.

⁴⁴³ Right of reply from Hunter Development Corporation, to Chair, 21 November 2014, p 3.

⁴⁴⁴ Submission 253, NSW Government, Attachment 2, p 2.

⁴⁴⁵ The GPT Group, *2007 Summary Report*, p 11.

⁴⁴⁶ The GPT Group, *Annual Report 2009*, p 17.

⁴⁴⁷ The GPT Group, *Annual Report 2009*, p 17.

⁴⁴⁸ Submission 189, Name suppressed, p 1; Submission 217, Mr Peter Newey, p 1; Penelope Green, '\$350m puts life back in our town', 19 July 2013, *Newcastle Herald*.

⁴⁴⁹ Evidence, Mr Angus Gordon, Development Manager, GPT Group, 21 November 2014, p 81.

⁴⁵⁰ Evidence, Mr Gordon, 21 November 2014, p 77.

⁴⁵¹ Michelle Harris, '\$20m for GPT properties to revitalise city mall', 20 June 2012, *Newcastle Herald*; Florence Chong, 'GPT deal falls through', 18 June 2011, *The Australian*.

- 6.55** The site has been identified as a catalyst project for urban renewal by the state and local governments,⁴⁵² and in December 2012, when the Newcastle Urban Renewal Strategy was exhibited and the rail truncation announced, plans were revealed to increase the building heights of the site.⁴⁵³
- 6.56** Stakeholders expressed significant concerns regarding the proposed increases to the building heights. These concerns will be considered in the committee’s final report.
- 6.57** Some stakeholders also expressed concerns about the influence of GPT and UrbanGrowth on the decision to cut the rail line. For example, Mr Squire submitted:
- ... you have got UrbanGrowth, which is heavily involved in this process with HDC in making the recommendations. UrbanGrowth has a conflict of interest. They and GPT both said in public, this mall project will not go ahead unless the rail is cut. So you have got HDC, GPT and UrbanGrowth wanting the rail cut, for their own benefit.⁴⁵⁴
- 6.58** Mr Peter Newey expressed a similar view, commenting ‘I believe the decision to close inner-city rail-line been motivated by GPT as partner with Urban Growth NSW on [a] “revitalisation” project’.⁴⁵⁵
- 6.59** Hunter Environment Lobby Inc. also contended that the Department of Planning seems ‘to have been ruled or influenced by the Corporatised arm of this agency, that is Urban Growth to cut our precious rail line link.’⁴⁵⁶ Likewise, Save Our Rail questioned whether the public private partnership between UrbanGrowth and GPT had any impact on the decision to truncate the rail line.⁴⁵⁷
- 6.60** In response to these allegations, Mr Peter Anderson, Head of Wholesale, Projects Division UrbanGrowth NSW, maintained that ‘at all times UrbanGrowth has followed proper process and acted with propriety and integrity in relation to this matter.’⁴⁵⁸

Committee comment

- 6.61** The committee notes the concerns regarding conflicts of interest held by the Hunter Development Corporation, its General Manager, Mr Hawes, UrbanGrowth NSW and GPT.
- 6.62** In regard to Mr Hawes, the committee notes that although Mr Hawes said his property interests have been on the public record since he worked for the corporation as a consultant in 2007, the first formal disclosure provided by Mr Hawes to the corporation was on 14 February 2011, at or about the time he commenced as the General Manager.

⁴⁵² Submission 253, NSW Government, Attachment 2, p 4.

⁴⁵³ Submission 253, NSW Government, p 10.

⁴⁵⁴ Evidence, Mr Squire, 21 November 2014, p 63.

⁴⁵⁵ Submission 217, Mr Peter Newey, p 1.

⁴⁵⁶ Submission 329, Hunter Environment Lobby Inc., p 3.

⁴⁵⁷ Submission 329, Save Our Rail NSW Inc., pp 14-15.

⁴⁵⁸ Evidence, Mr Peter Anderson, Head of Wholesale, Projects Division UrbanGrowth NSW, 24 November 2014, p 27.

- 6.63** Further, we note that Mr Hawes did not disclose information about his development application at Beresford Street until 2013, even though he advised the committee that the development application had been submitted in 2005 or 2006 and the approval was granted in 2010.
- 6.64** While one of Mr Hawes' property interests (the Beresford Street site) may have been on the public record through a development application, the committee considers that Mr Hawes should have formally disclosed both of his properties to the Hunter Development Corporation when he first commenced working for the corporation as a consultant in 2007. The committee notes that the corporation asserts that there have been no decisions made by the Board regarding the proposed redevelopment at Wickham since Mr Hawes became General Manager and therefore no conflict of interest has been declared by him. However, it is clear from matters on the public record, including the evidence from the Secretary of the Department of Planning and Infrastructure, that Mr Hawes has addressed the Board on the issue of the truncation of the rail line in his capacity as General Manager. This is a matter that the committee will consider in its final report.
- 6.65** Given the concerns raised during this inquiry, and in order to ensure that all government decisions are made in the interests of the community, we consider it essential that Mr Hawes' conflicts of interest are managed consistently with the NSW Planning and Infrastructure Conflicts of Interest Policy and Guidelines 2011.

Recommendation 8

That the NSW Department of Planning and Infrastructure ensure that the conflicts of interest held by the General Manager of Hunter Development Corporation, Mr Robert Hawes', are consistently managed in accordance with the NSW Planning and Infrastructure Conflicts of Interest Policy and Guidelines 2011.

- 6.66** The committee is also conscious that Mr Hawes should not be made into an inquiry scapegoat. The concerns regarding the Hunter Development Corporation, UrbanGrowth and GPT highlight much broader issues in terms of governance. These issues will be addressed in the committee's final report when it considers the remaining terms of reference, such as the State Environment Planning Policy (SEPP) Amendment (Newcastle City Centre) 2014.
- 6.67** The committee's final report is due to be tabled by 27 February 2015.

Appendix 1 Submission list

No	Author
1	Dr Stephen Ticehurst and Dr Rhonda Ticehurst
2	Mr Michael Palmer
3	Mr Daniel Mendes
4	Mr George Patsan
5	Confidential
6	Name suppressed
7	Mr Leon Oberg
8	Miss Sarah Blakemore
9	Mr Peter Hood
10	Mr Greg Price
11	Mr Agner Sorensen
11a	Mr Agner Sorensen
11b	Mr Agner Sorensen
11c	Mr Agner Sorensen
12	Ms Julie Jordan
13	Mr Martin Schlaeger
14	Dr Anna Enno
15	Name suppressed
16	Ms Bronwyn McDonald
17	Mrs Leanne Piller
18	Confidential
19	Name suppressed
20	Mr Earl Morris OAM
21	Dr Sue Outram and Mr Andrew Zdenkowski
22	Mr Steven Roberts
23	Ms Veronica Antcliff
24	Mr Paul Finnane
25	Mr Christopher Dodds
26	Mr Victor Carroll
27	Mr Robert Monteath
28	Mr Ian Thomas
28a	Mr Ian Thomas

No	Author
29	Australian Labor Party West Wallsend Branch
30	Ms Jennifer Walsh
31	Parks and Playgrounds Movement Inc
31a	Parks and Playgrounds Movement Inc
32	Campbelltown & Districts Commuter Assoc.
33	Name suppressed
34	Mr Kevin Harrison
35	Mr Neil Kembrey
36	Mr Eric Tierney
37	Prof Philip Laird
38	Miss Heather Roberts
39	Mr Bruce Matthews
39a	Mr Bruce Matthews
40	Mr Bernard Griffin
40a	Mr Bernard Griffin
41	Mr David Threlfo
42	Name suppressed
43	Mr Lance Kindleysides
44	Mr Max Bignell
45	Mr Gary Jones
46	Mr Shane Forrest
47	Mr Peter Sansom
48	Mr Kevin Eadie
49	Ms Helen Cummings
50	Confidential
51	Dr Catherine Laudine
52	Confidential
53	Mr Lutz Barz
54	Name suppressed
55	Ms Nicole Geoghegan
56	Name suppressed
57	Mr Roy Lazarevic
58	Mr George Paris
58a	Mr George Paris
59	Two More Trains for Singleton

No	Author
60	Professor Philip Seccombe
61	Name suppressed
62	Ms Christine McLean
63	Mr Keith Wilson
64	Mr Sid Gray
65	Mr Stephen Date
66	Mr Peter Willis
67	Mrs Pat Staker
68	Mr Finnbar Crennan
69	Folly Park Residents Group Inc
70	Mr Charlie Bell and Mrs Penelope Bell
71	Mr Leigh Blackall
72	Mr Graeme Tychsen
73	Mr Paul Shearston
74	Name suppressed
75	Dr Tessa Morrison
76	Name suppressed
77	Ms Judith Smith
78	Ms Pam Mitchelhill
79	Professor Suzanne Ryan
80	Mrs Helen Sharrock
81	Mr Steven Roberts
82	Ms Wendy Wales
83	Ms Maryann Lees
84	Mr Douglas Paisley
85	Ms Ruth Colman
86	Ms Kate Tuohy-Main
87	Friends of King Edward Park Inc (<i>partially confidential</i>)
87a	Friends of King Edward Park Inc
87b	Friends of King Edward Park Inc
88	Name suppressed
89	Mr Barry Portus
90	Name suppressed
91	Name suppressed
92	Australian Institute of Architects NSW Chapter

No	Author
93	Mr Jerry Harris
94	Mr David Bennetts
95	Ms Jacinta Dalton
96	Mr Andrew Amos
97	Ms Elizabeth Thwaites
98	Name suppressed
99	Mr Bhadro McDonald
100	Name suppressed
101	Mr Lloyd Newlands
102	Mr Tony Brown
102a	Mr Tony Brown
102b	Confidential
103	Newcastle Inner City Residents Alliance
104	Woodlands Close Community Team
105	Mr Richard Young AM
106	Mr Gary Townsend
107	Dr Steve Mohr
108	Ms Marg Edwards
109	Mr Bruce Wilson
110	Mr James Stokes
111	Ms Jaye Quinlan
112	Confidential
113	Ms Robyn Meincke
114	Mr Geoff Smith
115	Dr Greg Berry
116	Confidential
117	Mr S Stepowski
118	Mr Trevor Hooker
119	Dr Robert Henderson
120	Mrs Ilona Renwick
121	Mr Brian Suters AM
122	Ms Rosemary Bunker
123	Mr Rod Holding
124	Mr Adam Metcalf
125	Confidential

No	Author
126	Ms Leonie Crennan
127	Action for Public Transport (NSW)
127a	Action for Public Transport (NSW)
128	Mr Peter Morris
129	Name suppressed
130	Ms Elizabeth Sprott
130a	Ms Elizabeth Sprott
131	Dr Jeremy Coleman
132	Dr John Burgess
133	Ms Pam Mitchelhill
134	Ms Stephanie Williams
135	Mr Ron Brown
136	Name suppressed
137	Name suppressed
138	Mr David Blythe
138a	Mr David Blythe
139	Ms Fiona Firth
140	Ms Val Connor
141	Dr Janet Aisbett
142	Mr George Southern
143	Ms F J Gardiner
144	Confidential
145	Name suppressed
146	Mrs Louise Craig
147	Save Our Cultural Institutions
148	Ms Nicole Thomas
149	Mr Michael Thomas
150	Name suppressed
151	Awabakal Traditional Owners Aboriginal Corporation
152	Ms Maureen Van Helden
153	Name suppressed
154	Professor Dirk van Helden
154a	Professor Dirk van Helden
155	Ms Belinda Street
156	Mrs Cecily Grace

No	Author
157	Mrs Marguerite Field
158	Mr Kevin Coffey
159	Mr Jeff Cameron
160	Ms Franceca Davy
161	Confidential
162	Mr John Krey
163	Mrs Leslie Krey
164	Ms June Beilby
165	Confidential
166	Name suppressed
167	Ms Sarah Vautier
168	Name suppressed
169	Hunter Business Chamber
170	Mr Max Phillips
171	The National Trust of Australia (NSW)
172	Mr Gregory Hall
173	Mr Kerry Bowen
174	Mrs Catherine Tate
175	Ms Paula Morrow
176	Name suppressed
177	Mr Greg Cameron
178	Mr Kerry Suwald
179	Whitebridge Community Alliance (<i>partially confidential</i>)
180	Name suppressed
181	Name suppressed
182	Mr Francis McQuade
183	Name suppressed
184	Name suppressed
185	Mrs Susan Hellyer
186	Mr David Geraghty
187	Ms Judith Gatland
188	Confidential
189	Name suppressed
190	Name suppressed
191	Confidential

No	Author
192	Ms Anna Enno
193	Ms Lynda Gavenlock
194	Mr Arthur Keene
195	Ms Julianna Walton
196	Name suppressed
197	Confidential
198	Ms Bobbie Antonic
199	Mrs Renee Tate
200	Mr John de Bruyn
201	Mr John Hayes and Mrs Rosie Hayes
201a	Mr John Hayes and Mrs Rosie Hayes
202	Name suppressed
203	Mrs Anna Holmes
204	Mr Ray Young
205	Mr Graham Mullane
206	Prof Richard Leplastrier
207	Confidential
208	Confidential
209	Mr Robert Alder
210	Ms Ann Cameron
211	Thi To
212	Confidential
213	Confidential
214	Rev Warwick Cadenhead
215	Mr John Kaye
216	Confidential
217	Mr Peter Newey
218	Mr Robert Tiedeman
219	Confidential
220	Prof Howard Dick
221	Mr Bruce Hardiman
222	Mr Cecil Jones
223	Name suppressed (<i>partially confidential</i>)
224	Dr Geoff Evans (<i>partially confidential</i>)
225	Mr Dale Budd

No	Author
226	Ms Mary Ferguson
227	Mr Greg Piper MP
228	Hunter Communities Network
229	Mrs Josephine New
230	Name suppressed
231	Ms Bev Atkinson
232	Anet Beilby
233	Mr John Cooper
234	Name suppressed
235	Ms Sally Corbett
236	Dr Ross Kerridge
237	Dr Virginia Reid
238	Ms Wendy White
239	Name suppressed
240	Mr Greg James
241	Ms Narelle Callanan
242	Mr Tim Curtis
243	Confidential
244	The City of Newcastle
245	Confidential
246	Ms Marilynne Gledhill
247	Correct Planning & Consultation for Mayfield Group
248	Miss Sonia Hornery MP
249	TVT Transport Development and Road Safety Research
250	Ms Genni Siudek
251	Ms Barbara Witcher and Mr Bernie Bernard
252	New South Wales Teachers Federation
253	NSW Government
254	Ms Jan McLeod
255	Ms Elaine Street
256	Ms Gennice Davis
257	Mrs Monica Warren
258	Mr Paul Scott
259	Mr Giles Martin
260	Name suppressed

No	Author
261	Mr Bryan Havenhand
262	The GPT Group
263	Confidential
264	Mr Michael Gormly
265	Confidential
266	Mrs Carol Clement
267	Dr Niko Leka
268	Mr Tim Crakanthorp
269	EcoTransit Sydney
270	Dr Raoul Walsh
271	Cr Steve Tucker
272	Property Council of Australia
273	Confidential
274	Name suppressed
275	Name suppressed
276	Name suppressed (<i>partially confidential</i>)
277	Name suppressed
278	Name suppressed
279	Ms Sharon Grierson
280	Community Too Inc
281	Mr Tony Lawler
281a	Mr Tony Lawler
282	Hunter Transport for Business Development (<i>partially confidential</i>)
283	Confidential
284	Dr Bruce McFarling
285	The Haberfield Association Inc
286	Mr Rick Banyard
287	Name suppressed
288	Local Living Dungog
289	Dr Steve O'Brien
290	Name suppressed
291	Mr Rod Caldwell
292	Hunter Community Environment Centre (<i>partially confidential</i>)
293	Ms Sue Fetherston
294	Name suppressed

No	Author
295	Mrs Christine Prietto
296	Ms Marilyn Eade
297	Confidential
298	Hunter Environment Lobby Inc.
299	The NSW Commuter Council
300	Name suppressed
301	Name suppressed
302	Confidential
303	Throsby Villages Alliance Inc (<i>partially confidential</i>)
304	Confidential
305	Union of Australian Women Newcastle NSW Branch
306	Lake Macquarie City Council
307	Mr Mark Reedman
308	Ms Emma Brooks Maher
309	Ms Judith Cousins
310	Ms Carrie Jacobi
311	Dr Kristen Rundle
312	Planning Institute Australia
313	Retired Mineworkers Association Westlakes Branch
314	Hunter regional committee of the national Trust of Australia (NSW)
315	Honeysuckle Residents Association Inc.
316	Dr Paul Rippon
317	Mr Ian Donovan
318	Name suppressed
319	Ms Therese Doyle
319a	Ms Therese Doyle (<i>partially confidential</i>)
320	Name suppressed
321	Name suppressed
322	Name suppressed
323	Mr Milton Caine
324	Mr John Sutton
324a	Mr John Sutton
325	Mrs Ruth Adams
326	Name suppressed
327	Mr Stefan Rose

No	Author
328	Name suppressed
329	Save Our Rail NSW Inc (<i>partially confidential</i>)
330	Mr Francis Young
331	Mr Stephen Weatherstone
332	Mrs Rhonda Hartwig
333	Confidential
334	Mr David Stewart
335	Name suppressed
336	Mr Martin Cousins
337	Ms Helen Johnson
338	Mr Odiferous Mcdonald
339	Ms Kim Farnham
340	Ms Helen Knott
341	Mr Michael Helmore
342	Mrs Patricia Walker
343	Mr Jean Masson
344	Confidential
345	Name suppressed
346	Mr Eric Manning
347	Confidential
348	Confidential
349	Mr Brain Ladd (<i>partially confidential</i>)
350	Ms Margaret Henry
351	Confidential
352	Confidential
353	Ms Johanna Trainor
354	Name suppressed
355	Ms Kerry Fagan
356	Name suppressed
357	Ms Joan Browning
358	Name suppressed
359	Ms Dianne O'Keeffe
360	Mr Neil Jensen
361	Mr Colin Keith
362	Mrs Anne Wood

No	Author
363	Mr Walter Ryba and Mrs Jennifer Ryba
364	Mr David Kearney
365	Name suppressed
366	Mrs Isabel Hamilton
367	Mr Kim Ostinga
368	Confidential
369	Greater Western Sydney Heritage Action Group
370	Ms Karen Whitelaw
371	Ms Jennifer Langbein
372	Ms Caroline Bergman Hart
373	Mr David Horkan
374	Mr Richard Taylor
375	Mrs Margaret Ostinga
376	Ms Linda Evans
377	Ms Gail Davies
378	Ms Karen Bolben
400a	Pro forma A
400b	Pro forma B
400c	Pro forma C
400d	Pro forma D
400e	Pro forma E

Pro forma A – 5 responses

Dear Sir/ Madam

I am aware that the King Edward Headland Reserve was spot re-zoned to make it an exception to the rule that applies to RE1 Land in the Newcastle 1012 LEP that excludes function centres. I have been informed by the Friends of King Edward Park Inc. that the proposal to change the LEP was rejected by Council but that the alteration was written into the new LEP by a process that was not transparent and did not involve community, in spite of the fact that there is strong public interest in the DA proposing the construction of a 450 capacity private function centre and car park on this iconic public property.

In the light of the recent ICAC investigation I request that the probity of this matter be examined by the Parliamentary enquiry.

Yours sincerely

Pro forma B – 2 responses

Reverend the Hon Fred Nile MLC

Chair

Select Committee on the Planning Process in Newcastle and the Broader Hunter Region,
NSW Legislative Council

newcastleplanning@parliament.nsw.gov.au

Dear Sir

King Edward Headland Reserve (KEHR) is dedicated under s.87 of the Crown Land Act (CLA) to the public for the purpose of public recreation and under the act, need to satisfy two conditions. It must be accessible to the general public as of right, and it must not be used as a source for private profit.

Public interest should have been a factor in the rezoning decision. In December 2010 when a DA for a function centre was advertised, 300 objections were received. This vital evidence that was available should have informed the debate but was ignored.

In June 2011, the Draft 2012 LEP, like the 2003 LEP, excludes function centres on RE1 Land

June 2011 Newcastle City Council rejects an application to allow a function centre as an exception on KEHR.

June 2012 LEP changed to Spot rezone KEHR to allow a function on this land as an exception to other RE1 land.

Friends of King Edward Park have been unable to define the process adopted by the Government that legitimised the rezoning. Information obtained under FOI gives no reason for re-zoning.

The historical significance of the site should have been considered.

The Biscoe judgement in May 2012 should have informed the decision. Mr Justice Biscoe highlighted the significance of the site.

I respectfully request that the Upper House Inquiry examine this matter because of the issues of probity, lack of transparency, accountability, fairness, lack of community consultation and developer influence.

Pro forma C – 5 responses

Reverend the Hon Fred Nile MLC

Chair

Select Committee on the Planning Process in Newcastle and the Broader
Hunter Region, NSW Legislative Council

newcastleplanning@parliament.nsw.gov.au

Dear Sir

It is greatly appreciated by the people of Newcastle that an inquiry is being held by the Upper House into planning decisions in their City and it is understood that this inquiry is in the light of revelations from the recent ICAC investigation into illegal developer donations to political representatives.

The attention of the enquiry is respectfully directed to the spot-rezoning of the King Edward Headland Reserve. The process by which this was achieved fails the basic tests of probity, transparency, accountability and public consultation and raises strong questions of developer involvement in the political, decision making process.

Background

The King Edward Headland reserve is situated within the King Edward Park which was part of the Government domain containing Government House in the early settlement. It was dedicated to the people as parkland in the middle of the nineteenth century. The Headland commands spectacular views of Coast, river, Park and town with the Obelisk and the Cathedral sky-lined. It contains the first coal shaft in the country and the track that was carved by the carts carrying the coal to the port that became Watt Street, the first street in Newcastle.

It is known to the Worimi and Awabakal people as *Yirranali*, the place of falling rocks and is one of the places documented by Threlkeld in the early 1820s. As late as 1980, it was the sacred place where the Worimi people held up their newborn babies to their ancestors.

The Park is highly valued by all the people of Newcastle.

The KEPHR was used (in spite of public protest at the time) from the latter part of the nineteenth century for a bowling club and tennis court the latter being moved to the Obelisk in the 1930's. The bowling club eventually failed and was demolished in about 2003-4. One of the rinks became an unofficial car park. Since that time it has been shamefully enclosed with public exclusion wire and has fallen into a state of neglect and disrepair. Public appeals to the Trustees (responsible for fulfilling the dedication for public recreation of the site) to allow the area to be tidied have failed for the obvious advantage of making any suggestion for development seem attractive by comparison.

Reasons for investigation

- **The dedication of the land.**

King Edward Headland Reserve (KEHR) is dedicated under s.87 of the Crown Land Act (CLA) to the public for the purpose of public recreation and under the act, need to satisfy two conditions. It must be accessible to the general public as of right, and it must not be used as a source for private profit.

- **Public interest should have been a factor in the rezoning decision.** In December 2010 when a DA for a function centre was advertised, 300 objections were received. This vital evidence that was available should have informed the debate but was ignored.
- **The historical and cultural significance** of the site should have been considered.
- **The Biscoe judgement in May 2012** should have informed the decision. Mr Justice Biscoe highlighted the significance of the site.
- **Non Transparent Process**

In June 2011, the Draft 2012 LEP, like the 2003 LEP, excludes function centres on RE1 Land

June 2011 Newcastle City Council rejects an application to allow a function centre as an exception on KEHR.

June 2012 LEP changed to Spot rezone KEHR to allow a function on this land as an exception to other RE1 land.

FoKEP have been unable to define the process adopted by the Government that legitimised the rezoning. Information obtained under FOI give no reason for re-zoning.

Enquiries have failed to determine the process by which this has occurred, but it is noted that the wording is identical to the developer application for the change.

All references are present in the main submission from the committee of FKEP.

Yours sincerely,

Pro forma D – 7 responses

The Director
 Select Committee on the Planning Process in Newcastle and the Broader Hunter Region
 Parliament House
 Macquarie St
 Sydney NSW 2000

Re NSW Senate Inquiry into the planning process in Newcastle and the broader Hunter region
 Dear Sir

I refer to the Inquiry on the planning process in Newcastle and the broader Hunter region and in particular Clause 1 which states "1. That a select committee be established to inquire into and report on aspects of the planning process in Newcastle and the broader Hunter Region."

My particular concerns relate to the relationship between the NSW Department of Planning and Environment (DPE) and Rio Tinto on the applications and approvals for the Warkworth Mine expansion. Over a period of four years I have observed what I believe is inappropriate behaviour at the best or corruption at the worst in the relationship between the DPE and the Officials and their consultants at Rio Tinto.

My concerns are as follows

The original bribe (DPE offer to council)

In 2010 Mr David Kitto from DPE in a letter to Council offered \$10 million dollars to Council if they would close Wallaby Scrub Road. The closure of Wallaby Scrub Road is essential for the Warkworth Application to proceed. Council unanimously voted not to close Wallaby Scrub Road and the offer was rejected. However in the DGR and the Conditions of Approval the DPE altered the offer and the Council was placed under pressure to close the road.

It is not the role of the DPE officers to offer monetary considerations on behalf of Rio Tinto. I consider that this was the start of a very corrupt process to get the Warkworth Open Cut Mine approved

The Deed of agreement

The 2003 a Deed of Agreement was entered into between the Government and Warkworth Mining Limited (Rio Tinto) and was intended to protect a large area of land and Endangered Ecological Communities and prevent open cut mining. I believe that at the request of Rio Tinto this protection was secretly removed by Minister Hazzard in 2013 under pressure from Rio Tinto and the DPE to allow the application by Rio Tinto to open cut mine these protected areas.

The secret committee

In the transcript of committee proceedings of the General Purpose Standing Committee No.1 of 21 August 2014 it was confirmed that meetings took place between the Department of Planning & Infrastructure (now DPE), the Office of Environment and Heritage, the EPA, Rio Tinto and their solicitors Minter Ellison together with Rio Tinto's consultants, EMM and Cumberland Ecology. These meetings have been held over the past two years since the Land and Environment Court overturned the approval to expand the Warkworth Mine and have been convened to explore and workshop ways around the court's decisions.

This secret meeting process to agree ways to gain approval for the expansion appears to us to run close to corruption. It is certainly against the stated objectives of the DPE to carry out independent assessments of mining applications.

In June 2014 Rio Tinto resubmitted the same application the Courts rejected because the NSW Government has changed the assessment rules to assist the Mine to overcome the Court's rulings and of course the coaching by the DPE on ways around the Court decisions.

The same DPE officials who have conspired with Rio Tinto to get Mount Thorley Warkworth Continuation projects approved are currently assessing the two applications. Probity requires that this corrupted assessment process must be discontinued until proper investigations have been completed into the dealings between DPE and Rio Tinto. Such actions by the DPE in secret dealings with a large mining corporation to secure an approval can only lead to possible legal action and loss of trust in the Government.

It is important that there is an immediate and independent investigation into the relationship between Rio Tinto and the DPE on the Mount Thorley Warkworth applications process. The secret dealings behind this latest application by Rio Tinto have corrupted this current application and assessment.

Warkworth Amendment 6 process

The two week public exhibition for this Amendment 6 to the Warkworth Mine approval and submission period closed on 29th November 2013. Incredibly, Rio Tinto's substantial Response to Submissions report was provided to the Government on 2nd December, the very next business day after submissions closed. It is completely implausible that Rio Tinto could have adequately responded to in excess of 1,000 submissions in that amount of time.

Just two days after the response report was lodged, the Department issued a 24 page Assessment Report –including a recommendation to approve the mine expansion – and a 35 page Consent Conditions report and referred the project to the Planning Assessment Commission on 4 December. This rapid response to the application could have only been possible with the cooperation of DPE and a completion of reports prior to the public exhibition period closing. This to me is corruption.

The Warkworth continuation EIS process

In 2014 without any consultation with the community, Rio Tinto submitted a new Warkworth expansion application which in my view is exactly the same as the previous scheme rejected by the Land and Environment court and the Supreme Court.

The DPE has set about corrupting the processes involved in the assessment of this application. I believe that the DPE has led a small group in an unofficial committee to ensure Warkworth approval get through. They meet regularly with the Consultants for Rio Tinto to discuss their proposal.

On the 22 of May 2014, Rio Tinto received the Secretary's Requirement and by the first week in June the EIS comprising thousands of pages of reports was printed. Clearly Rio Tinto had access and carried out negotiations with them as to the secretary's requirements. How else you could produce reports of this magnitude in the matter of two weeks?

It is my view that over the past four years the Dept. of Planning and Environment has engaged in corrupt practices which are to the advantage of large commercial enterprises such as Rio Tinto and to the disadvantage of communities such as Bulga.

Non-compliance by Rio Tinto with the NSW Industrial Noise Policy with unofficial agreement by the DPE For mining project approvals particularly in the Hunter Valley, the Minister for Planning includes requirements that set rules for the maximum noise allowable under the terms of the consent.

In accordance with the Conditions of Approval, noise produced by open cut mines is required to be measured and controlled in accordance with the requirements set down in the NSW Industrial Noise Policy (2000). Compliance with these noise levels is monitored by NSW DoPI compliance officers. The DPE is allowing the Mine to exceed the maximum limits set down in the Approval. The DPE and Rio Tinto have an agreement that the NSW INP will be ignored in certain areas and this is to the detriment of the community.

The DPE and the Rio Tinto refuse to use the Low Frequency Noise (LFN) data and apply the corrective factors as required by the NSW Industrial Noise Policy (INP) in operational noise monitoring. Despite many requests and discussions with the DPE and Rio Tinto the INP is being ignored.

This collusion is a corrupt practice.

Conclusion

It is my view that the very close working relationship between Rio Tinto and the Government is an indication of corrupt practices and not in the interests of the community or the ecology. The processing of this current application must be halted until this inquiry is complete.

Please consider my submission

Yours sincerely

Pro forma E – 2 responses

I wish to make a submission concerning two parts in The Terms of Reference for the Select Committee on the Planning Process in Newcastle and the broader Hunter Region. The two parts are 2D and 2E.

2 D.

The iconic Newcastle East skyline is unique in Australian coastal cities. High rise development would completely spoil the cityscape and ruin something special. This type of development is better suited west of the civic area.

2 E.

The termination of the Newcastle rail line at Wickham is a senseless destruction of a public transport asset and a huge waste of money and resources. The Wickham site is too constricted, and would see this city left with a third rate, non functioning terminus and large questions over the fate of the rail corridor remain unanswered.

From the current Civic station, it is a very short walk to the City Hall, the Art Gallery, and Civic Park, the new University Campus and the new Law Courts. (The Uni Campus and the Law Courts have only about 36 car parking spaces between them).

Appendix 2 Witnesses at hearings

Date	Name	Position and Organisation
Friday 7 November 2014 Novotel Newcastle Beach	Mr Paul Broad	Chairman, Hunter Development Corporation
	Mr Bob Hawes	Director, Hunter Development Corporation
	Mr Peter Chrystal	Director, Planning and Regulatory, The City of Newcastle
	Ms Jillian Gaynor	Manager, Strategic Planning Services, The City of Newcastle
	Mr John Andrews	Chief Development Planner, Development Assessment and Compliance, Lake Macquarie City Council
	Mr Wesley Hain	Principal Strategic Land Use Planner, Lake Macquarie City Council
	Ms Elizabeth Lambert	Senior Town Planner, Development Assessment and Compliance, Lake Macquarie City Council
	Dr Geoff Evans	President, Newcastle Inner City Residents Alliance
	Ms Daniela Heil	Treasurer, Newcastle Inner City Residents Alliance
	Mr Brian Ladd	Member, Newcastle Inner City Residents Alliance
	Mr Sean Brown	Member, Whitebridge Community Alliance
	Ms Michelle Budekin	Member, Whitebridge Community Alliance
	Mr Alistair Christie	Secretary, Honeysuckle Residents Association
	Mr Peter Medi	Member, Honeysuckle Residents Association
	Mr Bruce Wade	Member, Honeysuckle Residents Association
Ms Kim Cross	Vice President, Save Our Rail NSW Inc	
Mr Darrell Harris	Advisor, Save Our Rail NSW Inc	
Ms Joan Dawson	President, Save Our Rail NSW Inc	

Date	Name	Position and Organisation
Friday 21 November 2014 Newcastle City Hall	Mr Nat McGregor	Chief Operating Officer, University of Newcastle
	Mr Allan Tracey	Director, Infrastructure and Facilities Services, University of Newcastle
	Mr Chris Chapman	Managing Director, Colliers International Newcastle
	Clr Tim Crakanthorp	Councillor, The City of Newcastle
	Clr Nuatali Nelmes	Lord Mayor, The City of Newcastle
	Clr Therese Doyle	Councillor, The City of Newcastle
	Ms Sharon Grierson	Former Federal member for Newcastle,
	Dr John Lewer	Vice President, Friends of King Edward Park
	Mrs Margaret Ostinga	Committee member, Friends of King Edward Park
	Mr Bruce Wilson	Committee member, Friends of King Edward Park
	Mr Richard Anicich	Immediate Past President, Hunter Business Chamber
	Ms Kristen Keegan	Chief Executive Officer, Hunter Business Chamber
	Mr Alan Squire	Convenor , Hunter Transport for Business Development
	Dr Graham Boyd	Secretary, Hunter Commuter Council
Prof Howard Dick	Faculty of Business and Economics, University of Melbourne	
Mr John Sutton	Former councillor for the City of Newcastle	
Mr Angus Gordon	Development Manager, GPT Group	

Date	Name	Position and Organisation
Monday 24 November 2014 Parliament House	Ms Carolyn McNally	Acting Secretary, Department of Planning and Environment
	Mr Brendan O'Brien	Executive Director, Infrastructure, Department of Planning and Environment
	Mr Peter Anderson	Head of Wholesale, Projects Division, UrbanGrowth NSW
	Mr Andrew Fletcher	New South Wales Regional Director, Property Council of Australia
	Mr Glen Byres	New South Wales Executive Director, Property Council of Australia
	Dr Bruce McFarling	Visiting Professor of Economics, International College Beijing, China Agricultural University

Appendix 3 Participants at public forum

Date	Name
Friday 21 November 2014 Newcastle City Hall	Mr Francis Young
	Mr Rick Banyard
	Mr Graeme Tychsen
	Mr Robert Monteath
	Mr Tony Lawler
	Ms Beverley Atkinson
	Ms Jeane Gravolin
	Mr Terry Gavolin
	Mr Paul Rippon
	Mr Brian Ladd
	Ms Helen Sharrock
	Ms Helen Lynch Foster
	Ms Joy Llewellyn-Smith
	Mr Brian Kelly
	Ms Wendy Wales
	Ms Jan Davis
	Mr Tony Brown
	Mr Dennis Taylor
	Mr Matthew Newman
	Mr Jonathan Moylan
Mr Adam Mikka	
Ms Patricia Gillard	
Mr James Thomson	

Appendix 4 Tabled documents

Friday 7 November 2014

Novotel Newcastle Beach

1. Planning map of Newcastle CBD, *tendered by Mr Bob Hawes, General Manager, Hunter Development Corporation*
2. Booklet entitled 'Honeysuckle celebrating 20 years' *tendered by Mr Bob Hawes, General Manager, Hunter Development Corporation*
3. Correspondence from Mr Jeff McCloy, Lord Mayor of Newcastle to Ms Kristen Keegan, Chief Executive Officer, Hunter Business Chamber urging support for proposed planning changes in Newcastle CBD, *tendered by Dr Geoff Evans, President, Newcastle Inner City Residents Alliance*
4. Open letter from Mike Baird MP, Premier to people of Newcastle, *tendered by Dr Geoff Evans, President, Newcastle Inner City Residents Alliance*
5. Mailbox drop letter from The GPT Group informing residents of public consultation meetings being held, *tendered by Dr Geoff Evans, President, Newcastle Inner City Residents Alliance*
6. Correspondence from the Hon Mike Baird MP, Premier to Ms Daniela Heil outlining government commitment to revitalising Newcastle, *tendered by Dr Geoff Evans, President, Newcastle Inner City Residents Alliance*
7. Newcastle Herald article entitled 'ICAC: Premier apologises to Hunter for scandal', *tendered by Dr Geoff Evans, President, Newcastle Inner City Residents Alliance*
8. Hunter Business Chamber dinner registration leaflet attended by Hon Mike Baird MP, Premier, *tendered by Dr Geoff Evans, President, Newcastle Inner City Residents Alliance*
9. PowerPoint slides of Lynchs Prawns site, Wharf Road, Newcastle, *tendered by Mr Alistair Christie, Secretary, Honeysuckle Residents Association.*

Friday 21 November 2014

Newcastle City Hall

10. Opening statement, *tendered by Mr Tim Crakanthorp, Councillor, Newcastle City Council*
11. Revitalising Newcastle, Update in progress, *tendered by Mr Tim Crakanthorp, Councillor, Newcastle City Council*
12. Colour photograph of King Edward Park, *tendered by Dr John Lever, Vice President, Friends of King Edward Park Inc*
13. Attitudes toward redevelopment of the Newcastle CBD: Survey of Residents in the NSW Electorate November 2008, *tendered by Ms Kristen Keegan, Chief Executive Officer, Hunter Business Chamber*
14. Newcastle City Centre Renewal Community Survey, Final Report 24 July 2009, Hunter Valley Research Foundation, *tendered by Ms Kristen Keegan, Chief Executive Officer, Hunter Business Chamber*
15. Newcastle City Centre Renewal Report to NSW Government March 2009, Hunter Development Corporation, *tendered by Ms Kristen Keegan, Chief Executive Officer, Hunter Business Chamber*
16. Newcastle CBD/Rail Strategy 'Why the HDC/Urbis Cost-Benefit Study is Invalid', *tendered by Professor Howard Dick, Faculty of Business and Economics, University of Melbourne.*

Appendix 5 Answers to questions on notice

The committee received answers to questions on notice from the following:

- Hunter Development Corporation
- Newcastle City Council
- Lake Macquarie City Council
- Honeysuckle Residents Association
- University of Newcastle
- Lord Mayor Nuatali Nelmes, Newcastle City Council
- Friends of King Edward Park
- Hunter Transport for Business Development
- The GPT Group
- Department of Planning and Environment
- UrbanGrowth NSW
- Property Council of Australia
- Transport for NSW and Roads and Maritime Services
- Mr Paul Broad, Chairman, Hunter Development Corporation
- Mr Bob Hawes, General Manager, Hunter Development Corporation
- Mr Ken Gouldthorp, General Manager, Newcastle City Council

Appendix 6 Order for papers

Dr Faruqi to move—

1. That this House notes that:
 - (a) on 23 October 2014, this House ordered the production of documents relating to planning in Newcastle and the Hunter,
 - (b) on 6 November 2014, the House received a return to order which did not include a number of documents regarding Wickham Interchange, heavy rail and light rail in the Newcastle CBD,
 - (c) the letter of certification from the Secretary of Transport for NSW accompanying the return to order stated: ‘Transport for NSW has reviewed its relevant files for the purposes of determining whether it holds any documents, other than Cabinet documents, that fall within the terms of the resolution. I note that all agencies are obliged to protect the confidentiality of Cabinet documents and not produce or refer to any such documents in complying with the resolution.’, and
 - (d) on 12 November 2014, the Clerk tabled further correspondence from the Deputy General Counsel of the Department of Premier and Cabinet advising that Transport for NSW had reviewed its files to determine whether it held any documents, other than Cabinet documents, that fell within the terms of the order and confirmed that it had nothing further to provide.
2. That this House notes the following judgements by Chief Justice Spigelman and Justices Meagher and Priestley in the Court of Appeal in *Egan v Chadwick* (1999) concerning cabinet documents:
 - (a) Spigelman CJ held that it is not reasonably necessary for the proper exercise of the functions of the Council to call for documents the production of which would conflict with the doctrine of collective ministerial responsibility by revealing the ‘actual deliberations of Cabinet’; that a distinction must be made between documents which disclose the actual deliberations within cabinet and those which are described as “Cabinet documents”, but which are in the nature of reports or submissions prepared for the assistance of cabinet; and that the production of documents prepared outside cabinet for submission to cabinet may, or may not, depending on their content, be inconsistent with the doctrine of collective ministerial responsibility to cabinet,
 - (b) Meagher JA took the view that the immunity of cabinet documents from production was ‘complete’, arguing that the Legislative Council could not compel their production without subverting the doctrine of responsible government, but without exploring the distinction between different types of cabinet documents drawn by Spigelman CJ, and
 - (c) Priestley JA took a different view, noting that a court has ‘the power to compel production to itself even of Cabinet documents’ and that the ‘function and status of the Council in the system of government in New South Wales require and justify the same degree of trust being reposed in the Council’, and that ‘notwithstanding the great respect that must be paid to such incidents of responsible government as cabinet confidentiality and collective responsibility, no legal right to absolute secrecy is given to any group of men and women in government’.
3. That this House further notes that in evaluating a disputed claim of privilege on documents returned to an order of the House in 2005, the Hon Terrence Cole AO, RFD, QC, stated that: ‘In assessing a claim for public interest immunity in relation to “Cabinet documents”, a distinction is to be drawn between: (a) true Cabinet documents, that is, those documents which disclose the actual deliberations of Cabinet; and (b) Cabinet documents, that is, reports or submissions prepared for the assistance of Cabinet. A claim for

privilege for true Cabinet documents will always be upheld. ... When privilege is claimed for other Cabinet documents, a judgement process is required to weigh the competing public interests.'

4. That this House further notes that in its October 2009 report entitled 'The Mt Penny return to order', the Privileges Committee:
 - (a) stated that '... the Committee does not necessarily accept that Egan v Chadwick is the final word on this matter, and that the Council does not have the power to order cabinet documents. The three Justices in Egan v Chadwick, Spigelman, Meagher and Priestly, took significantly different approaches to this issue. The Committee believes that the dissenting judgment of Justice Priestley is instructive', and
 - (b) specifically rejected the definition of 'cabinet information' in the Government Information (Public Access) Act 2009 as an appropriate definition of cabinet documents for the purposes of responding to orders for papers made by the Legislative Council under standing order 52.

5. That under standing order 52, there be laid upon the table of the House within 14 days of the date of passing of this resolution the following documents, created since 1 January 2012, in the possession, custody or control of Transport for NSW regarding Wickham Interchange, heavy rail and light rail in the Newcastle CBD:
 - (a) URS Australia Pty Ltd (URS), 2014a Preliminary Environmental Review, Newcastle Urban Renewal & Transport Program prepared for Transport for NSW April 2014,
 - (b) URS, 2014b Newcastle Urban Renewal & Transport Program, Newcastle Heavy Rail Scoping Report, Prepared for Transport for NSW, May 2014,
 - (c) URS, 2014c, Newcastle Urban Renewal & Transport Program, Newcastle Heavy Rail Truncation Definition Report, Prepared for Transport for NSW, July 2014,
 - (d) URS Australia Pty Ltd 2014d, Report Heavy Rail Truncation, Preliminary Environmental Site Assessment, Prepared for Transport for NSW, May 2014,
 - (e) any cost benefit analysis, traffic study and patronage loss study for the Wickham Interchange project,
 - (f) Newcastle Urban Renewal & Transport Program- Stage1 Final Business Case and the 18 appendices to this document,
 - (g) GHD 2014 Newcastle Light Rail – Options Identification and Initial Feasibility Assessment Study, Transport for NSW,
 - (h) GHD 2014 Newcastle Light Rail- City Centre Traffic Modelling Services – Light Rail Alignment Options Assessment, Transport for NSW,
 - (i) GHD 2014 Newcastle Light Rail – City Centre Traffic Modelling Services- Microsimulation Model Calibration and Validation Report, Transport for NSW,
 - (j) any cost benefit analysis for the light rail project, and
 - (k) any legal or other advice regarding the scope or validity of this order of the House created as a result of this order of the House.

The planning process in Newcastle and the broader Hunter region

6. That in the event that any documents are not provided to the House in response to this order on the basis of a claim of cabinet confidentiality, the return identify how the provision of those documents to the House would breach the immunity attaching to cabinet documents as variously articulated in *Egan v Chadwick*.
7. That this House regards failure to comply fully with an order of this House for the production of documents as an unacceptable interference with the capacity of this House to fulfil its constitutional roles.

(Notice given 13 November 2014—expires Notice Paper No. 37)

Appendix 7 Scope and purpose of Operation Spicer

Amended Scope and Purpose - 12 September 2014

OPERATION SPICER – PUBLIC INQUIRY

In Operation Spicer the commission is currently investigating allegations of corrupt conduct involving:

- a) whether, between April 2009 and April 2012, certain Members of Parliament, including Christopher Hartcher MP, Darren Webber MP, and Christopher Spence MP, and others, including Timothy Koelma and Raymond Carter, corruptly solicited, received and concealed payments from various sources in return for certain Members of Parliament agreeing to favour the interests of those responsible for the payments;
- b) whether, between December 2010 and November 2011, certain Members of Parliament, including Christopher Hartcher MP, Darren Webber MP, and Christopher Spence MP, and others, including Raymond Carter, solicited, received and failed to disclose political donations from companies, including prohibited donors, contrary to the *Election Funding, Expenditure and Disclosures Act 1981*;
- c) whether Eightbyfive, a business operated by Timothy Koelma entered into agreements with each of a series of entities including Australian Water Holdings Pty Ltd, whereby each respective entity made regular payments to Eightbyfive purportedly for the provision of media, public relations and other services and advice, in return for which Christopher Hartcher MP favoured the interests of the respective entity;
- d) the circumstances in which false allegations of corruption were made against senior executives of Sydney Water Corporation (see also Operation Credo).
- e) the circumstances in which the 2011 election campaign for the seat of Newcastle was funded by the Liberal Party, and whether funds were solicited and received from prohibited donors, including Buldev Pty Limited, Nathan Tinkler, Jeff McCloy, Hilton Grugeon and other persons and companies associated with them;
- f) whether members of Parliament, including Christopher Hartcher MP and Michael Gallacher MLC, solicited and received donations from prohibited donors for use in the Liberal Party 2011 State election campaign, including in the seat of Newcastle;
- g) whether parties and persons, including Buldev Pty Limited, Nathan Tinkler, Darren Williams, David Sharpe, Jeff McCloy and Hilton Grugeon improperly sought to influence certain members of Parliament by making donations during the 2011 State election campaign;
- h) whether members of Parliament, including Christopher Hartcher MP and Michael Gallacher MLC, used or attempted to use their power and influence improperly to confer, or attempt to confer, benefits upon donors to the Liberal Party in the 2011 State election campaign;
- i) the circumstances in which two campaigns were conducted against the sitting member of the seat of Newcastle, Jodi McKay MP, including the publication and distribution of misleading information, and whether certain persons were involved in organising, or attempting to organise, and/or funding those campaigns, including Joseph Tripodi MP, Anne Wills, Nathan Tinkler, Darren Williams, David Sharpe and members of the Newcastle Alliance;
- j) whether members of Parliament, including Joseph Tripodi MP, used or attempted to use their power and influence either to improperly confer benefits, or attempt to improperly confer benefits, upon certain parties and persons, including Buldev Pty Limited, Nathan Tinkler,

Darren Williams and David Sharpe, in respect of a development of a coal terminal proposed at the Port of Newcastle;

- (k) whether members or associates of the Liberal Party of NSW used or attempted to use the Free Enterprise Foundation as a means of receiving and disguising donations from prohibited donors in the lead up to the 2011 election campaign;
- (l) whether certain companies and persons, including Buildev Pty Limited, Boardwalk Resources Pty Limited, Nathan Tinkler, Darren Williams, David Sharpe and Troy Palmer used or attempted to use the Free Enterprise Foundation as a means of making donations to the Liberal Party with the intention of attempting to improperly influence certain members of Parliament,
- (m) whether certain companies and persons including Buildev Pty Limited, Darren Williams and Mark Regent influenced or sought to influence a public official, namely Bart Bassett, to make planning decisions for their benefit,
- (n) whether Craig Baumann MP and Vincent Heufel agreed to make false or inaccurate electoral funding disclosures in 2007 and 2011 and whether the disclosures were made for the purpose of concealing benefits already exchanged or to be exchanged with amongst others Jeffrey McCloy and Hilton Gurgeon.

The general scope and purpose of the public inquiry is to gather evidence relevant to the matters being investigated, as detailed above in 'Nature of Allegations', for the purpose of determining the matters referred to in section 13(2) of the ICAC Act.

Appendix 8 Minutes

Minutes no. 1

Wednesday 24 September 2014

Select Committee on the Planning Process in Newcastle and the Broader Hunter Region

Parkes Room, Parliament House, 1.04 pm

1. Members present

Revd Nile, *Chairman*

Ms Cusack (via teleconference)

Mr Donnelly

Mr Shoebridge

Ms Voltz (via teleconference)

2. Apologies

Mr Pearce

3. Procedural resolutions

Resolved, on the motion of Mr Donnelly: That, unless the committee decides otherwise, the following procedures apply for the life of the committee:

Filming, broadcasting and still photography of public proceedings

That the committee authorise the filming, broadcasting, webcasting and still photography of the public proceedings of the committee, in accordance with the resolution of the Legislative Council of 18 October 2007.

Publishing transcripts of evidence

That the committee authorise the publication of transcripts of evidence taken at public hearings.

Publishing answers to questions on notice

That the committee authorise the publication of answers to questions on notice.

Publishing submissions

That the committee authorise the publication of **all** submissions to the inquiry, subject to the committee clerk checking for confidentiality, adverse mention and other issues and, where those issues arise, bringing them to the attention of the committee for consideration.

Attachments to submissions

That all attachments to submissions remain confidential, unless otherwise published by the committee.

Media statements

That media statements on behalf of the committee be made only by the Chairman.

4. Conduct of the inquiry on the planning process in Newcastle and the broader Hunter region

4.1 Inquiry timeline

Mr Shoebridge moved: That the committee adopt the following inquiry timeline:

Call for submissions	Wednesday 24 September 2014
Closing date for submissions	Friday 24 October 2014
Site visit & public hearing #1	Friday 7 November (Newcastle)
Public hearing # 2 and public forum	Friday 21 November 2014 (Newcastle)
Public hearing # 3	Monday 24 November (Sydney)
Report deliberative	Monday 23 February 2015
Table report	Friday 27 February 2015

Question put.

The committee divided.

Ayes: Mr Donnelly, Revd Nile, Mr Shoebridge, Ms Voltz.

Noes: Ms Cusack.

Question resolved in the affirmative.

Resolved, on the motion of Mr Shoebridge: That after the closing date for submissions the committee consider delivering an interim report before Christmas.

4.2 Stakeholder list

Resolved, on the motion of Mr Donnelly: That the secretariat email members with a list of stakeholders to be invited to make written submissions, and that members have two days from the email being circulated to nominate additional stakeholders.

4.3 Advertising

Resolved, on the motion of Mr Shoebridge: That the committee place advertisements in the Early General News section of the following newspapers: Newcastle Herald, Sydney Morning Herald, Daily Telegraph and Maitland Mercury.

4.4 Process for determining witnesses

Resolved, on the motion of Mr Shoebridge: That the secretariat circulate to members the Chairman's proposed list of witnesses to provide them with the opportunity to amend the list or nominate additional witnesses, and that the committee agree to the witness list by email, unless a meeting of the committee is required to resolve any disagreement.

4.5 Questions on notice and supplementary questions

Resolved, on the motion of Mr Shoebridge: That for the duration of the inquiry:

- supplementary questions be lodged with the secretariat up to two days following the receipt of the hearing transcript
- witnesses be requested to return answers to questions on notice and supplementary questions within 21 days of the date on which questions are forwarded to the witness.

5. Adjournment

The committee adjourned at 1.17 pm, *sine die*.

Teresa McMichael

Clerk to the Committee

Minutes no. 2

Thursday 16 October 2014

Select Committee on the Planning Process in Newcastle and the Broader Hunter Region

Member's Lounge, Parliament House, 9.16 am

1. Members present

Revd Nile, *Chairman*

Ms Cusack

Mr Donnelly

Mr Pearce

Mr Shoebridge, *Deputy Chair*

Ms Voltz

2. Election of Deputy Chair

The Chairman called for nominations for Deputy Chair.

Mr Donnelly moved: That Mr Shoebridge be elected Deputy Chair of the committee.

There being no further nominations, the Chairman declared Mr Shoebridge elected Deputy Chair.

3. Draft minutes

Resolved, on the motion of Ms Voltz: That item four of draft minutes no. 1 be amended by inserting 'and public forum' after 'Public hearing #2'.

Resolved, on the motion of Ms Voltz: That draft minutes no. 1, as amended, be confirmed.

4. Correspondence

The committee noted the following items of correspondence:

Received:

- 26 September 2014 – From Mr Agner Sorensen to committee secretariat forwarding information about God's unseen kingdom
- 29 September 2014 – From Mr Tony Farrell, Acting General Manager, Lake Macquarie City Council to committee secretariat requesting information about the inquiry
- 30 September 2014 – From Mr Tony Farrell, Acting General Manager, Lake Macquarie City Council to committee secretariat expressing concern about the inquiry
- 5 October 2014 – From Mr Zenon Helinski to committee secretariat expressing concern about the inquiry terms of reference.

Sent:

- 1 October 2014 – From committee Chairman to Mr Tony Farrell, Acting General Manager, Lake Macquarie City Council responding to request for information about the inquiry.

5. Submissions

5.1 Public submissions

The committee noted that the following submissions had been published by the committee clerk under the authorisation of an earlier resolution: submission nos. 1-4, 7-14, 16-17, 20-32, and 34.

5.2 Partially confidential submissions

Resolved, on the motion of Mr Shoebridge: That the committee authorise the publication of submission nos. 6, 15, 19 and 33, with the exception of identifying information which is to remain confidential, as per the request of the authors.

5.3 Confidential submissions

Resolved, on the motion of Mr Shoebridge: That the committee keep submissions nos. 5 and 18 confidential, as per the request of the authors.

6. Site visit and public hearing in Newcastle

Resolved, on the motion of Ms Voltz: That the committee travel to and from Newcastle by bus for both the 7 November and 21 November 2014 visits.

In regard to the site visit and public hearing in Newcastle on Friday 7 November 2014, the committee discussed the following potential itinerary:

- site visit in Newcastle, including inspections of the proposed interchange site at Wickham, the proposed light rail route towards the city, and the East End and city development sites
- public hearing in Newcastle
- site visit to the proposed site of the Whitebridge development, Lake Macquarie, on the way back to Sydney.

The committee noted that any suggestions for witnesses at the public hearing on Friday 7 and Friday 21 November 2014 should be emailed to the secretariat.

7. Confidential documents

The committee agreed to defer consideration of the distribution of confidential documents to participating members until a later meeting.

8. Adjournment

The committee adjourned at 9.30am, until Friday 7 November 2014 (site visit and public hearing, Newcastle).

Cathryn Cummins

Clerk to the Committee

Minutes no. 3

Wednesday 5 November 2014

Select Committee on the Planning Process in Newcastle and the Broader Hunter Region

Members' Lounge, Parliament House, 10.30 am

1. Members present

Revd Nile, *Chairman*

Mr Shoebridge, *Deputy Chair*

Ms Cusack

Mr Donnelly

Mr Pearce

Ms Voltz

2. Previous minutes

Resolved, on the motion of Ms Cusack: That draft minutes no. 2 be confirmed.

3. Correspondence

The committee noted the following items of correspondence:

Received:

- 15 October 2014 – From Ms Heather Berry to committee advising that Maitland is experiencing similar problems to Newcastle with regard to planning and developers
- 21 October 2014 – From Mr D Williamson to committee discussing mining in the Hunter Valley
- 24 October 2014 – From Mr David Antcliff, Project Leader, Urban Renewal NSW to committee advising that he has had limited involvement with the matters being examined by the inquiry.

4. Submissions

4.1 Public submissions

The committee noted that the following submissions were published by the committee clerk under the authorisation of an earlier resolution: submission nos 35-41, 43-49, 51, 53, 55, 57-60, 62-73, 75, 77-86, 89, 92-97, 99, 101-102, 104-111, 113-115, 117-118, 120-124, 126-128, 130-134, 138-143, 146, 148-149, 151-152, 154-160, 162-164, 167, 169-173, 175, 177-178, 182, 185-187, 192-195, 198-201, 203-206, 209-211, 214-215, 217-218, 220-222, 225-229, 231-233, 235-238, 240-242, 244, 246-250, 252-253 and supplementary submission nos. 127a, 130a and 154a.

4.2 Partially confidential and confidential submissions

Resolved, on the motion of Mr Shoebridge: That the committee:

- authorise the publication of submission nos 42, 54, 56, 61, 74, 76, 90-91, 98, 100, 129, 136-137, 145, 150, 153, 166, 168, 176, 183, 190, 196, 230, 234 and 239 with the exception of identifying information which is to remain confidential, as per the request of the authors
- authorise the publication of submission no. 224 with the exception of the name of an individual third party which is to remain confidential, as per the recommendation of the secretariat
- keep submission nos 52, 125, 144, 165, 188, 191, 219 and 243 confidential, as per the request of the authors
- authorise the publication of submission no. 87 (previously circulated as confidential), as per the request of the author.

4.3 Submissions containing potential adverse mention

Mr Pearce noted that the matters raised in submission nos 50, 56, 88, 103, 119, 135, 147, 174, 180, 181,189 and 251 are the same matters that are currently being reviewed by the ICAC.

Ms Cusack moved: That consideration of the publication status of submission nos 50, 56, 88, 103, 119, 135, 147, 174, 180, 181,189 and 251 be deferred to the next meeting in order to give committee members more time to review the submissions.

Question put.

The committee divided.

Ayes: Ms Cusack, Mr Pearce

Noes: Revd Nile, Mr Donnelly, Mr Shoebridge, Ms Voltz

Question resolved in the negative.

Ms Voltz moved: That the committee authorise the publication of submission nos 50, 56, 88, 103, 119, 135, 147, 174, 180, 181,189 and 251, and that the individuals or organisations adversely named be provided with an opportunity to respond to these comments in writing or by giving evidence.

Question put.

The committee divided.

Ayes: Revd Nile, Mr Donnelly, Mr Shoebridge, Ms Voltz

Noes: Ms Cusack, Mr Pearce

Question resolved in the affirmative.

Resolved, on the motion of Mr Pearce: That the committee keep submission no. 212 confidential, as it contains potential adverse mention.

Resolved, on the motion of Ms Voltz: That the committee authorise the publication of submission no. 223, with the exception of potential adverse mention which is to remain confidential.

Resolved, on the motion of Mr Shoebridge: That the secretariat omit from submission nos. 179 and 329 potential adverse mentions of individuals who have not been previously named in other submissions or the media, and circulate the proposed redacted versions of the submissions to committee members for approval, and that if no objections are received by 5.00 pm, Wednesday 5 November, the committee authorise the publication of the redacted submissions.

Resolved, on the motion of Mr Donnelly: That the committee keep submission nos 112, 116, 161, 197, 207, 208, 213, 216 and 245 confidential, as they contain potential adverse mention and may not fall within the terms of reference.

5. Other business

Resolved, on the motion of Ms Cusack: That Clr Therese Doyle appear before the committee as a witness at the public hearing on Friday 21 November 2014.

6. Adjournment

The committee adjourned at 11.13 am until Friday 7 November, 9.15 am, Novotel Newcastle Beach, 5 King St, Newcastle (site visit and public hearing).

Teresa McMichael
Clerk to the Committee

Minutes no. 4

Friday 7 November 2014

Select Committee on the Planning Process in Newcastle and the Broader Hunter Region

Novotel Newcastle Beach, Newcastle, 9.25 am

1. Members present

Revd Nile, *Chairman*
Mr Shoebridge, *Deputy Chair*
Ms Cusack
Mr Donnelly
Mr Pearce
Ms Voltz

2. Site visit

Revd Nile, Mr Donnelly, Mr Shoebridge and Ms Voltz toured the following sites:

- Wickham interchange
- the proposed light rail route
- East End and city development.

The committee members were accompanied by:

- Mr Brendan O'Brien, Executive Director Infrastructure, Housing & Employment, Department of Planning & Environment
- Mr Bob Hawes, General Manager, Hunter Development Corporation.

3. Correspondence

The committee noted the following items of correspondence:

Received:

- 30 October 2014 – From Mr Tony Brown to the committee informing of a NBN news segment regarding planning and the agencies and organisations involved
- 31 October 2014 – From Mr Alan Squire to the committee secretariat, requesting that he and Dr Bruce McFarling be invited to appear at a public hearing
- 31 October 2014 – From Ms Margaret Ostinga, Friends of King Edward Park Inc to the committee secretariat, requesting that representatives from Friends of King Edward Park Inc, be invited to appear at a public hearing.
- 4 November 2011 – From Mr John Sutton to the committee, offering to appear as a witness
- 4 November 2011 – From Ms Jodi McKay to the committee director, declining the invitation to appear as a witness.

Sent:

- 3 November 2014 – From Chairman to Mr Tim Crakanthorp, Member for Newcastle advising, as a courtesy, that the committee will be visiting Newcastle on Friday 7 and Friday 21 November 2014.

4. Allocation of hearing questioning

Resolved, on the motion of Mr Shoebridge: That the sequence of questions to be asked during the hearing alternate between opposition, cross bench and government members, in that order, with an equal proportion of time being allocated to each.

5. Submissions

5.1 Public submissions

The committee noted that the following submissions were published by the committee clerk under the authorisation of an earlier resolution: submission nos. 87a, 87b, 102a, 130a, 155, 201a, 202, 254-259, 262, 264, 267, 269-272, 280-281, 284-286, 288-289, 293, 295-296, 298-299, 305-317, 319, 323, 325, 327-328, 330-332, 334-343, 346, 348 and 350.

5.2 Partially confidential submissions

The committee noted the following submissions were partially published by the committee clerk under the authorisation of an earlier resolution: submission nos. 184, 260, 274-278, 287, 290, 294, 300, 301, 318, 320-322, 326 and 345.

Resolved, on the motion of Mr Donnelly: That the committee keep the following information confidential, as per the request of the authors: names and/or identifying and sensitive information in submissions nos. 184, 260, 274-278, 287, 290, 294, 300, 301, 318, 320-322, 326 and 345.

5.3 Confidential submissions

Resolved, on the motion of Mr Pearce: That the committee keep submission nos. 102b, 283, 297, 344 and 347 confidential, as per the request of the authors.

6. Monday 24 November hearing – Sydney

Resolved, on the motion of Mr Donnelly: That the committee extend the half day hearing on Monday 24 November to a full day hearing.

7. Answers to questions on notice

Resolved, on the motion of Mr Shoebridge: That in order to allow the committee to consider an interim report before Christmas, witnesses be requested to return answers to questions on notice and/or supplementary questions from members within 14 days of the date on which questions are forwarded to the witnesses by the committee clerk for the public hearings on Friday 21 and Monday 24 November 2014.

8. Request to suspend termination of rail line

Mr Donnelly moved: That, on behalf of the committee, the Chairman write to the NSW Government to request that it put a hold on the termination of the Newcastle rail line until the committee has tabled its final report.

Question put.

The committee divided.

Ayes: Revd Nile, Mr Shoebridge, Ms Voltz, Mr Donnelly

Noes: Ms Cusack, Mr Pearce

Question resolved in the affirmative.

9. Public hearing

Witnesses, the public and the media were admitted.

The Chairman made an opening statement regarding the broadcasting of proceedings and other matters.

The following witnesses were sworn and examined:

- Mr Paul Broad, Chairman, Hunter Development Corporation

- Mr Bob Hawes, General Manager, Hunter Development Corporation

Mr Pearce tabled the Hunter Development Corporation, Newcastle City Centre Renewal: Report to NSW Government, 2009.

The evidence concluded and the witnesses withdrew.

The following witnesses were sworn and examined:

- Mr Peter Chrystal, Director, Planning and Regulatory, The City of Newcastle
- Ms Jill Gaynor, Strategic Planning Services, Planning and Regulatory, The City of Newcastle

The evidence concluded and the witnesses withdrew.

The following witnesses were sworn and examined:

- Mr John Andrews, Chief Development Planner, Development Assessment and Compliance, Lake Macquarie City Council
- Ms Elizabeth Lambert, Senior Town Planner, Development Assessment and Compliance, Lake Macquarie City Council
- Mr Wesley Hain, Principal Strategic Landuse Planner, Lake Macquarie City Council

The evidence concluded and the witnesses withdrew.

The following witnesses were sworn and examined:

- Dr Geoff Evans, President, Newcastle Inner City Residents Alliance
- Mr Brian Ladd, Member, Newcastle Inner City Residents Alliance
- Ms Daniela Heil, Member, Newcastle Inner City Residents Alliance

Dr Geoff Evans tendered the following documents:

- correspondence from Mr Jeff McCloy, Lord Mayor of Newcastle to Ms Kristen Keegan, Chief Executive Officer, Hunter Business Chamber urging support for proposed planning changes in Newcastle CBD
- open letter from Mike Baird MP, Premier to people of Newcastle
- mailbox drop letter from The GPT Group informing residents of public consultation meetings being held
- correspondence from Mike Baird MP, Premier to Ms Daniela Heil outlining Government's commitment to revitalising Newcastle
- Newcastle Herald article entitled 'ICAC: Premier apologises to Hunter for scandal'
- Hunter Business Chamber dinner registration leaflet attended by Hon Mike Baird MP, Premier.

The evidence concluded and the witnesses withdrew.

The following witnesses were sworn and examined:

- Mr Sean Brown, Whitebridge Community Alliance
- Ms Michelle Burdekin, Whitebridge Community Alliance

The evidence concluded and the witnesses withdrew.

The following witnesses were sworn and examined:

- Mr Alistair Christie, Secretary, Honeysuckle Residents Association
- Mr Peter Medi, Honeysuckle Residents Association
- Mr Bruce Wade, Honeysuckle Residents Association

Mr Christie tendered the following document:

- Slides of images and text of development in Newcastle City Council.

The evidence concluded and the witnesses withdrew.

The following witnesses were sworn and examined:

- Ms Joan Dawson, President, Save Our Rail NSW Inc
- Ms Kim Cross, Vice President, Save Our Rail NSW Inc
- Mr Darrell Harris, Member, Save Our Rail NSW Inc

The evidence concluded and the witnesses withdrew.

The hearing concluded at 4.00 pm.

The public and media withdrew.

10. Adjournment

The committee adjourned at 4.00 pm until 1.30 pm, Wednesday 12 November 2014 (*deliberative meeting*).

Teresa McMichael

Clerk to the Committee

Minutes no. 5

Wednesday 12 November 2014

Select Committee on the Planning Process in Newcastle and the Broader Hunter Region
Members' Lounge, Parliament House, 1.32 pm

1. Members present

Revd Nile, *Chairman*

Mr Shoebridge, *Deputy Chair*

Ms Cusack

Mr Donnelly

Mr Pearce

Ms Voltz

2. Previous minutes

Resolved, on the motion of Mr Pearce: That draft minutes no. 3 be amended by:

- (a) omitting 'Ms Cusack' from item 5 and inserting instead 'Mr Pearce'
- (b) omitting 'appear' and inserting instead 'be considered to appear'.

Resolved, on the motion of Mr Donnelly: That draft minutes no. 3 as amended, be confirmed.

Resolved, on the motion of Mr Donnelly: That draft minutes no. 4 be confirmed.

3. Correspondence

The committee noted the following items of correspondence:

Received:

- 4 November 2014 – From Councillor Therese Doyle, Newcastle City Council, formally requesting to appear as a witness at the public hearings
- 5 November 2014 – From Ms Joan Dawson, President, Save our Rail NSW Inc, forwarding media release regarding Government's' failure to meet goals set out in NSW 2021 – A Plan to make NSW number one'
- 6 November 2014 – From Mr Dave Stewart, Secretary, Transport for NSW, declining the committee's invitation to appear at the public hearing on Monday 24 November 2014

- 10 November 2014 – From Prof Howard Dick, Faculty of Business & Economics, University of Melbourne, requesting to appear as a witness at a public hearing
- 10 November 2014 – From Mr Kevin Parish, Chair, NSW Commuter Council and Chair of Hunter Commuter Council, requesting to appear as a witness at the public hearing on Friday 21 November 2014.
- 10 November 2014 – From Ms Helen Lynch-Foster, Woodlands Close Community Team, requesting to appear as a witness at the public hearing on Friday 21 November 2014.

Sent:

- 6 November 2014 – From Chairman to Mr Hilton Grugeon, providing an opportunity to respond to comments made in submissions to the inquiry regarding his role in planning issues in the Newcastle or broader Hunter region
- 6 November 2014 – From Chairman to Mr Tim Owen, providing an opportunity to respond to comments made in submissions to the inquiry regarding his role in planning issues in the Newcastle or broader Hunter region
- 6 November 2014 – From Chairman to Mr Jeff McCloy, providing an opportunity to respond to comments made in submissions to the inquiry regarding his role in planning issues in the Newcastle or broader Hunter region
- 6 November 2014 – From Chairman to Mr Ken Gouldthorp, providing an opportunity to respond to comments made in submissions to the inquiry regarding his role in planning issues in the Newcastle or broader Hunter region
- 6 November 2014 – From Chairman to Mr Keith Stronach, providing an opportunity to respond to comments made in submissions to the inquiry regarding his role in planning issues in the Newcastle or broader Hunter region
- 6 November 2014 – From Chairman to Mr Nathan Tinkler, providing an opportunity to respond to comments made in submissions to the inquiry regarding his role in planning issues in the Newcastle or broader Hunter region
- 6 November 2014 – From Chairman to Mr Gary Edwards, providing an opportunity to respond to comments made in submissions to the inquiry regarding his role in planning issues in the Newcastle or broader Hunter region
- 6 November 2014 – From Chairman to Mr Andrew Cornwell, providing an opportunity to respond to comments made in submissions to the inquiry regarding his role in planning issues in the Newcastle or broader Hunter region.
- 10 November 2014 – From Chairman to Mr Bob Hawes, providing an opportunity to respond to comments made in submissions to the inquiry regarding his role in planning issues in the Newcastle or broader Hunter region.

4. Tendered documents from 7 November hearing

Resolved, on the motion of Mr Shoebridge: That the committee accept and publish the following documents tendered during the public hearing on Friday 7 November 2014:

- Planning map of Newcastle CBD, tendered by Mr Bob Hawes, General Manager, Hunter Development Corporation
- Booklet entitled ‘Honeysuckle celebrating 20 years’ tendered by Mr Bob Hawes, General Manager, Hunter Development Corporation
- Correspondence from Mr Jeff McCloy, Lord Mayor of Newcastle to Ms Kristen Keegan, Chief Executive Officer, Hunter Business Chamber urging support for proposed planning changes in Newcastle CBD, tendered by Dr Geoff Evans, President, Newcastle Inner City Residents Alliance
- Open letter from Mike Baird MP, Premier to people of Newcastle, tendered by Dr Geoff Evans, President, Newcastle Inner City Residents Alliance
- Mailbox drop letter from The GPT Group informing residents of public consultation meetings being held, tendered by Dr Geoff Evans, President, Newcastle Inner City Residents Alliance

- Correspondence from the Hon Mike Baird MP, Premier to Ms Daniela Heil outlining government commitment to revitalising Newcastle, tendered by Dr Geoff Evans, President, Newcastle Inner City Residents Alliance
- Newcastle Herald article entitled 'ICAC: Premier apologises to Hunter for scandal', tendered by Dr Geoff Evans, President, Newcastle Inner City Residents Alliance
- Hunter Business Chamber dinner registration leaflet attended by Hon Mike Baird MP, Premier, tendered by Dr Geoff Evans, President, Newcastle Inner City Residents Alliance
- PowerPoint slides of Lynchs Prawns site, Wharf Road, Newcastle, tendered by Mr Alistair Christie, Secretary, Honeysuckle Residents Association.

5. Witnesses

The committee considered the following witness suggestions and appearance requests:

- Mr Angus Gordon, GPT Development Manager, GPT
- Ms Kristen Keegan and Mr Richard Anachich, Hunter Business Chamber
- Mr Andrew Fletcher and Mr Glen Byrnes, Property Council of Australia
- Mr Michael Costa, former Minister for Transport
- Mr Chris Chapman, Principal, Colliers International Newcastle
- Mr Barney Collins, Principal, EJE Architecture
- Ms Carolyn McNally, Secretary and Mr Brendan O'Brien, Executive Director, Infrastructure, Housing & Employment, Department of Planning and Environment
- UrbanGrowth NSW
- Hon John Robertson MP, former Minister for Transport
- Mr Sam Haddad, former Director General, Department of Planning
- Ms Julie Ainsworth, former General Manager, Newcastle Newspapers
- Planning Institute of Australia
- University of Newcastle
- Tourism and Transport Forum
- Friends of King Edward Park Inc.
- Hunter Transport for Regional Development
- Dr Bruce McFarling
- Mr John Sutton
- Prof Howard Dick, Faculty of Business & Economics, University of Melbourne
- Mr Kevin Parish, Chair, NSW Commuter Council and Chair of Hunter Commuter Council
- Ms Helen Lynch-Foster, Woodlands Close Community Team
- Mr Tim Owen, former State Member for Newcastle
- Mr Andrew Cornwell, former State Member for Charlestown
- Mr Jeff McCloy, former Lord Mayor of City of Newcastle
- Mr Hilton Grugeon, Property Developer
- Roads and Maritime Services
- Hon Duncan Gay MLC, Minister for Roads and Freight, Minister for the North Coast, Leader of the Government in the Legislative Council and Leader of the House in the Legislative Council
- Hon Gladys Berejiklian MP, Minister for Transport and Minister for the Hunter.
- Ms Sharon Grierson, former Federal Member for Newcastle
- Cllr Stephanie Posniak, Acting Mayor of City of Newcastle
- Cllr Therese Doyle, Newcastle City Council
- Mr Bob Hawes and Mr Paul Broad, Hunter Development Corporation.

Debate ensued.

Resolved, on the motion of Mr Shoebridge: That Clr Therese Doyle, Newcastle City Council, be invited to appear as a witness at the 21 November 2014 hearing.

Resolved, on the motion of Mr Shoebridge: That the committee agree to the appearance of Hunter Transport for Regional Development, Dr Bruce McFarling, Mr John Sutton and Ms Helen Lynch-Foster by email.

Mr Pearce left the meeting.

Ms Voltz moved: That Ms Sharon Grierson, former Federal Member for Newcastle, be invited as a witness.

Mr Shoebridge moved: That the motion of Ms Voltz be amended to defer consideration of Ms Grierson's invitation until the committee considers the appearance of Hunter Transport for Regional Development, Dr Bruce McFarling, Mr John Sutton and Ms Helen Lynch-Foster.

Amendment of Mr Shoebridge put.

The committee divided.

Ayes: Ms Cusack, Mr Shoebridge.

Noes: Revd Nile, Mr Donnelly, Ms Voltz.

Question resolved in the negative.

Original question of Ms Voltz put and passed.

Mr Pearce re-joined the meeting.

Resolved, on the motion of Ms Voltz: That the Mayor (or Acting Mayor) of Newcastle City Council, and any Newcastle City councillors that wish to attend, be invited to appear as witnesses.

Mr Shoebridge moved: That the Hon Gladys Berejiklian MP, Minister for Transport and Minister for the Hunter, and the Hon Duncan Gay MLC, Minister for Roads and Freight, Minister for the North Coast, Leader of the Government in the Legislative Council and Leader of the House in the Legislative Council, be invited as witnesses.

Question put.

The committee divided.

Ayes: Revd Nile, Mr Donnelly, Mr Shoebridge, Ms Voltz.

Noes: Ms Cusack, Mr Pearce.

Question resolved in the affirmative.

Resolved, on the motion of Mr Shoebridge: That Mr Ken Gouldthorp, General Manager of Newcastle City Council, be invited to appear as a witness.

Resolved, on the motion of Mr Shoebridge: That the following individuals or organisations be invited to appear as witnesses, and that where possible they be invited to appear at the 21 November 2014 hearing:

- Mr Tim Owen, former State Member for Newcastle
- Mr Andrew Cornwell, former State Member for Charlestown
- Mr Jeff McCloy, former Lord Mayor of City of Newcastle
- Mr Angus Gordon, GPT Development Manager, GPT
- Ms Kristen Keegan and Mr Richard Anachich, Hunter Business Chamber
- Mr Chris Chapman, Principal, Colliers International Newcastle
- University of Newcastle
- Friends of King Edward Park Inc.
- Prof Howard Dick, Faculty of Business & Economics, University of Melbourne

- Mr Kevin Parish, Chair, NSW Commuter Council and Chair of Hunter Commuter Council
- Ms Carolyn McNally, Secretary and Mr Brendan O'Brien, Executive Director, Infrastructure, Housing & Employment, Department of Planning and Environment
- UrbanGrowth NSW
- Mr Andrew Fletcher and Mr Glen Byrnes, Property Council of Australia
- Planning Institute Australia
- Mr Hilton Grugeon, Property Developer
- Roads and Maritime Services
- Hon Duncan Gay MLC, Minister for Roads and Freight, Minister for the North Coast, Leader of the Government in the Legislative Council and Leader of the House in the Legislative Council
- Hon Gladys Berejiklian MP, Minister for Transport and Minister for the Hunter.

6. Interim report

Resolved, on the motion of Ms Voltz: That the committee table an interim report on the Newcastle rail line by Friday 19 December 2014.

7. Request to suspend termination of rail line

Mr Shoebridge moved: That the committee confirm its resolution of 7 November 2014 to write to the NSW Government to request it to defer termination of the Newcastle rail line at Wickham until the committee has tabled its final report, and that the letter be amended to:

- (a) note that the committee has not formed a recommendation regarding whether or not the truncation should proceed
- (b) question any urgency to truncate the rail line by Boxing Day 2014, and
- (c) question the cost of delaying the truncation of the rail line.

Question put.

The committee divided.

Ayes: Revd Nile, Mr Donnelly, Mr Shoebridge, Ms Voltz.

Noes: Ms Cusack, Mr Pearce.

Question resolved in the affirmative.

8. Adjournment

The committee adjourned at 2.22 pm, until Friday 21 November 2014 (*public hearing, Newcastle*).

Teresa McMichael

Clerk to the Committee

Minutes no. 6

Tuesday 18 November 2014

Select Committee on the Planning Process in Newcastle and the Broader Hunter Region

Room 1153, Parliament House, Sydney at 2.00pm

1. Members present

Revd Nile, *Chairman*

Mr Shoebridge, *Deputy Chair*

Mr Donnelly

Mr Pearce

Ms Voltz

2. Apologies

Ms Cusack

3. Witnesses

Resolved, on the motion of Mr Shoebridge: That the committee invite the following witnesses to appear at the 21 or 24 November hearings:

- Hunter Transport for Business Development
- Dr Bruce McFarling (via international teleconference)
- Mr John Sutton.

4. Response to witness invitation

Resolved, on the motion of Mr Shoebridge: That the committee advise Mr Ken Gouldthorp that the committee will not be conducting hearings after 24 November, and invite Mr Gouldthorp to attend the 24 November 2014 hearing via a 45 minute teleconference.

5. Interim report deliberative

Resolved, on the motion of Ms Voltz: That the committee meet on 12 December 2014 to consider the Chairman's draft interim report.

6. Witness appearance request

Mr Shoebridge moved: That Mr James Ryan, NSW Greens Planning and Environmental Law Officer, be invited to appear with Clr Therese Doyle on 24 November 2014.

Question put and negatived.

7. Adjournment

The committee adjourned at 2.12 pm, until Friday 21 November 2014 (*public hearing, Newcastle*).

Teresa McMichael

Clerk to the Committee

Minutes no. 7

Friday 21 November 2014

Select Committee on the Planning Process in Newcastle and the Broader Hunter Region

Banquet Room, Newcastle City Hall, 9.40 am

1. Members present

Revd Nile, *Chairman*

Mr Shoebridge, *Deputy Chair*

Ms Cusack (arrived 10.05 am)

Mr Donnelly

Mr Pearce

Ms Voltz

2. Previous minutes

Resolved, on the motion Ms Voltz: That draft minutes no. 5 be confirmed.

3. Correspondence

The committee noted the following items of correspondence:

Received:

- 7 November 2014 – From Save Our Rail Inc. to committee providing the following documents:
 - Appendix B from Save Our Rail NSW Inc report Newcastle: Towards a Sustainable and Vibrant City, Critical Appraisal of GPT Proposal, January 2009
 - Appendix D from Save Our Rail NSW Inc report Newcastle: Towards a Sustainable and Vibrant City, Critical Appraisal of NTBD “Plan B”, April 2010
 - report from Save Our Rail NSW Inc, ‘Newcastle: Towards a Sustainable and Vibrant City’, December 2008
 - report from Save Our Rail NSW Inc, ‘Western Transport Initiative (WesTrans) Concept Proposal’, November 2010
 - report from Save Our Rail NSW Inc, ‘Save Our Rail – Pedestrian Crossing Ideas’, July 2013
 - media release from EcoTransit Sydney, regarding Newcastle rail line, dated 19 August 2014
 - four emails from Mr Tony Lawler to government ministers, regarding Newcastle rail line, various dates
 - two letters from Mr Gareth Robinson, ICAC, to Mr Tony Lawler, regarding allegations about undeclared conflicts of interest by several persons, various dates
 - seven media articles regarding corruption allegations and Newcastle rail project, various dates.
- 11 November 2014 – From Mr Hugh Thomson to committee secretariat providing a response to comments made in submission no. 329
- 11 November 2014 – From Hon Catherine Cusack MLC to committee providing a discretionary disclosure of interest to the committee
- 12 November 2014 – From Mr Trevor Prior to committee secretariat requesting to appear as a witness at a public hearing
- 14 November 2014 – From Mr Tim Owen to committee secretariat providing a response to comments in submission nos. 50, 56, 103, 119, 147, 174, 180, 181, 189, 251 and 329
- 14 November 2014 – From Mr Jeff McCloy to committee secretariat providing a response to comments in submission nos 50, 56, 8, 103, 119, 147, 174, 179, 181, 189, 251, 329
- 14 November 2014 – From Mr Keith Stronach to committee Chairman providing a response to comments in submissions 50 and 329
- 14 November 2014 – From Mr Bob Hawes to Director requesting to see attachments to the submission no. 329 which refer to Mr Hawes.
- 19 November 2014 – From Mr Peter Duncan, Chief Executive, Roads and Maritime Services to secretariat declining the invitation to appear as a witness at a public hearing
- 20 November 2014 – From Premier Mike Baird to Chairman responding to questions regarding the urgency to truncate the rail and the cost to delay truncation.

Sent:

- 14 November 2014 – From Chairman to Hon Mike Baird MP, Premier, cc Hon Pru Goward MP, Minister for Planning and Hon Gladys Berejiklian MP, Minister for Transport, requesting NSW Government to defer truncation of the Newcastle rail line.

Resolved, on the motion of Mr Pearce: That the committee:

- keep all of the emails and letters provided by Save Our Rail Inc. on 7 November 2014 confidential
- keep the correspondence from Mr Thomson regarding response to comments in submissions, dated 14 November 2014, confidential, as per the request of Mr Thomson
- authorise the publication of correspondence from Mr Owen regarding response to comments in submissions, dated 14 November 2014, as per the request of Mr Owen
- authorise the publication of correspondence from Mr McCloy regarding response to comments in submissions, dated 14 November 2014, as per the request of Mr Mc Cloy
- keep the correspondence from Mr Stronach regarding response to comments in submissions, dated 14 November 2014, confidential, as per the request of Mr Stronach

4. Request for confidential documents

Resolved, on the motion of Mr Pearce: That the committee publish, but not put on the website, Annexures D and E to submission no. 329, and provide a copy to Mr Bob Hawes.

5. Answers to questions on notice

Resolved, on the motion of Ms Voltz: That witnesses from the 21 and 24 November 2014 hearings be requested to return answers to questions on notice and supplementary questions within 7 days of the date on which questions are forwarded to witnesses.

6. Questions for Department of Transport

Resolved, on the motion of Ms Voltz: That the committee write to Transport for NSW to ask questions on notice, and that:

- a) members provide written questions to the secretariat by midday Tuesday 25 November 2014
- b) the secretariat circulate the proposed questions to the committee for comment on the same day, before providing it to the department by 5pm
- c) the department be requested to provide the answers by 5pm Tuesday 2 December 2014.

7. Submissions**7.1 Public submissions**

The committee noted that the following submissions were published by the committee clerk under the authorisation of an earlier resolution: submission nos. 284, 282, 324, 324a, 353, 355, 357, 359-364.

7.2 Partially confidential submissions

The committee noted that the following submissions were partially published by the committee clerk under the authorisation of an earlier resolution: submission nos. 354, 356, 358 and 365.

Resolved, on the motion of Ms Voltz: That the committee:

- keep the following information confidential, as per the request of the author: names and/or identifying in submissions nos. 354, 356, 358 and 365.
- keep the names of third parties in submission no. 87 confidential, with the exception of Mr Keith Stronach and Mr Tim Owen who are to be offered a right of reply.

7.3 Confidential submissions

Resolved, on the motion of Mr Pearce: That the committee keep submission nos 351 and 352 confidential, as per the request of the authors, as they contain identifying and/or sensitive information

7.4 Supplementary submission no. 319a

Resolved, on the motion of Mr Shoebridge: That the committee authorise the publication of supplementary submission no. 319a, with the exception of adverse mentions which are to remain confidential.

7.5 Submission no. 50

Resolved, on the motion of Mr Pearce: That the committee change the publication status of submission no. 50 from public to confidential.

7.6 Request to change publication status

Resolved, on the motion of Mr Pearce: That the committee change the publication status of submission no. 348 from public to confidential, as per the request of the author.

7.7 Submissions containing adverse reflections

Resolved, on the motion of Ms Voltz: That the committee:

- authorise the publication of submission nos 261, 268 and 279, and that the individuals adversely named be provided with an opportunity to respond to these comments
- authorise the publication of submission nos 276, 292, 303 and 349, with the exception of potential adverse mentions of individuals who have not been previously named in other submissions or the media, which are to remain confidential, and that all other individuals adversely named in the submissions be provided with an opportunity to respond to these comments
- keep submission nos 263 and 304 confidential, as they contain potential adverse mention of individuals that have not previously been named in other submissions or the media
- keep submission nos 265, 273, 302 and 333 confidential, as they contain potential adverse mention and may not fall within the terms of reference.

Resolved, on the motion of Mr Shoebridge: That the committee authorise the publication of submission no 266, and that the individuals adversely named be provided with an opportunity to respond to the comments.

7.8 Pro formas

Resolved, on the motion of Mr Pearce: That the committee publish one copy of each pro forma submission on its website, noting the number of copies of the submission that have been received.

8. Public hearing

Witnesses, the public and the media were admitted.

The public hearing commenced at 9.51 am.

The Chairman made an opening statement regarding the broadcasting of proceedings and other matters.

The following witnesses were sworn and examined:

- Mr Nat McGregor, Chief Operating Officer, University of Newcastle
- Mr Allan Tracey, Director, Infrastructure and Facilities Services, University of Newcastle

Ms Cusack arrived at 10.05am.

The evidence concluded and the witnesses withdrew.

The following witness was sworn and examined:

- Mr Chris Chapman, Managing Director, Colliers International Newcastle

The evidence concluded and the witness withdrew.

The following witnesses were sworn and examined:

- Clr Nuatali Nelmes, Lord Mayor, Newcastle City Council
- Clr Tim Crakanthorp, Councillor, Newcastle City Council

Mr Crakanthorp tendered the following documents:

- Opening statement
- Revitalising Newcastle, Update in progress report

The evidence concluded and the witnesses withdrew.

The following witness was sworn and examined:

- Clr Therese Doyle, Councillor, Newcastle City Council

The evidence concluded and the witness withdrew.

The following witness was sworn and examined:

The planning process in Newcastle and the broader Hunter region

- Ms Sharon Grierson, Former Federal Member for Newcastle

Ms Grierson tendered the following document:

- Opening statement

The evidence concluded and the witness withdrew.

The following witnesses were sworn and examined:

- Dr John Lewer, Vice President, Friends of King Edward Park Inc
- Mrs Margaret Ostinga, Member, Friends of King Edward Park Inc
- Mr Bruce Wilson, Member, Friends of King Edward Park Inc

Dr Lewer tendered the following document:

- Colour photograph of King Edward Park

The evidence concluded and the witnesses withdrew.

Ms Cusack left the meeting at 1.15 pm.

Resolved, on the motion of Mr Pearce: That the committee authorise the publication of correspondence from the Premier regarding committee's to the request to defer truncation of the rail line.

The following witnesses were sworn and examined:

- Ms Kristen Keegan, Chief Executive Officer, Hunter Business Chamber
- Mr Richard Anicich, Immediate Past President, Hunter Business Chamber

Ms Keegan tendered the following documents:

- Attitudes toward redevelopment of the Newcastle CBD: Survey of Residents in the NSW Electorate November 2008
- Newcastle City Centre Renewal Community Survey, Final Report 24 July 2009, Hunter Valley Research Foundation
- Newcastle City Centre Renewal Report to NSW Government March 2009, Hunter Development Corporation

The evidence concluded and the witnesses withdrew.

The following witnesses were sworn and examined:

- Professor Howard Dick, Faculty of Business and Economics, University of Melbourne
- Dr Graham Boyd, Secretary, Hunter Commuter Council
- Mr John Sutton

The evidence concluded and the witnesses withdrew.

The following witness was sworn and examined:

- Mr Angus Gordon, Development Manager, GPT

The evidence concluded and the witness withdrew.

The hearing concluded at 4.15 pm.

9. Public forum

The public forum commenced at 4.35 pm.

The Chairman made an opening statement regarding the broadcasting of proceedings and the forum proceedings.

The following individuals appeared before the committee:

- Mr Francis Young
- Mr Rick Banyard
- Mr Graeme Tychsen
- Mr Robert Monteath
- Mr Tony Lawler
- Ms Beverley Atkinson
- Ms Jeane Gravalin
- Mr Terry Gravalin
- Mr Paul Rippon
- Mr Brian Ladd
- Ms Helen Sharrock
- Ms Helen LynchFoster
- Ms Joy Llewellyn-Smith
- Mr Brian Kelly
- Ms Wendy Wales
- Ms Jan Davis
- Mr Tony Brown
- Mr Dennis Taylor
- Mr Matthew Newman
- Mr Jonathan Moylan
- Mr Adam Mikka
- Ms Patricia Gillard
- Mr James Thomson

The public forum concluded at 6.31 pm.

10. **Adjournment**

The committee adjourned at 6.32 pm, until Monday 24 November 2014, 9.00am, Room 814/815, Parliament House (*public hearing*).

Teresa McMichael

Clerk to the Committee

Minutes no. 8

Monday 24 November 2014

Select Committee on the Planning Process in Newcastle and the Broader Hunter Region
Room 814/815, Parliament House, 9.00am

1. **Members present**

Revd Nile, *Chairman*
Mr Shoebridge, *Deputy Chair*
Ms Cusack
Mr Donnelly
Mr Pearce
Ms Voltz

2. **Public hearing**

Witnesses, the public and the media were admitted.

The Chairman made an opening statement regarding the broadcasting of proceedings and other matters.

The following witnesses were sworn and examined:

- Ms Carolyn McNally, Secretary, Department of Planning and Environment
- Mr Brendan O'Brien, Executive Director, Infrastructure, Housing and Employment, Department of Planning and Environment

The evidence concluded and the witnesses withdrew.

The following witness was sworn and examined:

- Mr Peter Anderson, Head of Wholesale, UrbanGrowth NSW

The evidence concluded and the witness withdrew.

The following witnesses were sworn and examined:

- Mr Andrew Fletcher, NSW Regional Director, Property Council of Australia
- Mr Glen Byres, Executive Director NSW, Property Council of Australia

The evidence concluded and the witnesses withdrew.

The following witness was sworn and examined via teleconference:

- Dr Bruce McFarling, Visiting Professor of Economics, University College Beijing

The evidence concluded and the witness withdrew.

The public hearing concluded at 12.45pm.

The public and media withdrew.

3. Correspondence

The committee noted the following items of correspondence:

Received:

- 21 November 2014 – From Mr Ken Gouldthorp, General Manager, Newcastle City Council to secretariat, advising he will no longer be appearing as a witness via teleconference at the hearing on Monday 24 November 2014.

Resolved, on the motion of Mr Shoebridge: That the committee authorise the publication of correspondence from Mr Ken Gouldthorp regarding his withdrawal as a witness via teleconference, dated 21 November 2014.

4. Questions for General Manager, Newcastle City Council

Resolved, on the motion of Mr Shoebridge: That the committee write to Mr Ken Gouldthorp, General Manager, Newcastle City Council to ask questions on notice, and that:

- a) members provide written questions to the secretariat by midday Tuesday 25 November 2014
- b) the secretariat circulate the proposed questions to the committee for comment on the same day, before providing it to Mr Gouldthorp by 5pm
- c) Mr Gouldthorp be requested to provide the answers by 5pm Tuesday 2 December 2014.

5. Adjournment

The committee adjourned at 12.45 pm until Friday 12 December 2014, Macquarie Room (*interim report deliberative*).

Teresa McMichael
Clerk to the Committee

Draft minutes no. 9

Friday 12 December 2014

Select Committee on the Planning Process in Newcastle and the Broader Hunter Region

Macquarie Room, Parliament House, 9.33 am

1. Members present

Revd Nile, *Chairman*

Mr Shoebridge, *Deputy Chair* (from 9.37 am)

Ms Cusack

Mr Donnelly

Mr Pearce

Ms Voltz

2. Previous minutes

Resolved, on the motion of Mr Donnelly: That draft minutes nos. 6, 7 and 8 be confirmed.

3. Correspondence

The committee noted the following items of correspondence:

Received:

- 17 November 2014 – From Mr Alan Squire to secretariat, requesting a select number of individuals be called as witnesses to a public hearing
- 19 November 2014 – From Mr Hilton Grugeon to secretariat, providing a response to comments made in submissions
- 19 November 2014 – From Dr Steve Mohr, Senior Research Consultant, Institute for Sustainable Futures University of Technology Sydney to Chairman, regarding the truncation of the rail line
- 19 November 2014 – From Ms Lynda Gavenlock to secretariat, regarding 7 November hearing
- 19 November 2014 – From Mr Terry Gravolin to secretariat, regarding information given by Mr Bob Hawes during 7 November hearing
- 19 November 2014 – From Ms Melissa Hole to secretariat, regarding Maryland Community Alliance
- 21 November 2014 – From Mr Paul Broad, Chairman, Hunter Development Corporation to Chairman, providing a response to comments made in submissions
- 21 November 2014 – From Mr Peter Newey to secretariat, regarding truncation of the rail line
- 21 November 2014 – From Cooks Hill Community Group Inc to secretariat, regarding Glovers Lane reserve and Jolly Roger Hunter shopping village
- 21 November 2014 – From Mr Tony Lawler to secretariat, providing correspondence and media articles regarding the truncation of the rail line
- 21 November 2014 – From Ms Jeane Gravolin to secretariat, regarding disability access to trains in Newcastle
- 21 November 2014 – From Mr Adam Mikka to secretariat, regarding Caves Beach, Lake Macquarie
- 21 November 2014 – From Ms Joy Llewellyn-Smith to secretariat, regarding Catherine Hill Bay
- 24 November 2014 – From Ms Bev Atkinson to secretariat, regarding light rail proposal
- 24 November 2014 – From Mr Tony Lawler to secretariat providing additional information to the inquiry
- 24 November 2014 – From Ms Joy Llewellyn-Smith to secretariat, providing additional information to the inquiry
- 24 November 2014 – From Ms Alison McLaren to secretariat regarding filming of proceedings at 24 November hearing
- 25 November 2014 – From Mr Hilton Grugeon to Chairman, providing a response to comments made in submissions
- 25 November 2014 – From Mr Ken Chant to secretariat, regarding rail overpasses in Newcastle

- 27 November 2014 – From Mr Ken Gouldthorp to Chairman, seeking an extension to provide answers to questions on notice
- 27 November 2014 – From Mr John Sutton to secretariat, providing report on level crossing risk analysis by Sinclair Knight Merz
- 28 November 2014 – From Mr Michael Sparrow to secretariat, regarding truncation of the rail line
- 28 November 2014 – From Mr Tony Lawler to Chairman, regarding truncation of the rail line
- 28 November 2014 – From Mr Warren Smith to Chairman, regarding other services in Newcastle such as hospitals, education and housing
- 28 November 2014 – From Mr Tony Lawler to secretariat, regarding evidence from the Property Council of Australia at the 24 November hearing
- 28 November 2014 – From Ms Mel James to secretariat, regarding truncation of the rail line
- 1 December 2014 – From Mr Dennis Taylor to secretariat, regarding evidence from the Property Council of Australia at the 24 November hearing
- 1 December 2014 – From Mr Keith Stronach to Chairman, providing a response to comments made in submissions
- 2 December 2014 – From Mr Ken Chant to secretariat, regarding alternative train options
- 2 December 2014 – From Mr Ken Gouldthorp to secretariat, providing a response to comments made in submissions
- 3 December 2014 – From Mr Bobbie Antonic to secretariat, regarding evidence from the Property Council of Australia at the 24 November hearing
- 3 December 2014 – From Ms Ann Hardy to secretariat, regarding excavation work at James Fletcher Hospital
- 4 December 2014 – From Ms Mel James to secretariat, regarding truncation of the rail line
- 5 December 2014 – From Clr Brad Luke to secretariat, providing a response to comments made in submissions
- 5 December 2014 – From Mr Bob Hawes, General Manager, Hunter Development Corporation, providing a response to comments made in submissions
- 5 December 2014 – From Mr Ken Gouldthorp to secretariat, providing answers to questions on notice by the committee
- 5 December 2014 – From Mr John Sutton to secretariat, regarding a GIPA disclosure
- 5 December 2014 – From Ms Michelle Burdekin to secretariat, regarding correction to transcript of 7 November 2014
- 8 December 2014 – From Ms Joan Dawson, President, Save Our Rail NSW to secretariat, providing a final submission to the inquiry
- 9 December 2014 – From Mr Ken Gouldthorp to secretariat, providing replacement Attachment C to answers to questions on notice
- 10 December 2014 – From Mr Jeff McCloy to secretariat, providing a response to comments made in submissions
- 10 December 2014 – From Ms Bev Atkinson to secretariat forwarding letters sent to Newcastle Herald.

Sent:

- 21 November 2014 – To Clr Allan Robinson providing an opportunity to respond to comments made in submissions to the inquiry
- 21 November 2014 – To Mr Hilton Grugeon providing an opportunity to respond to comments made in submissions to the inquiry
- 21 November 2014 - To Mr Jeff McCloy providing an opportunity to respond to comments made in submissions to the inquiry
- 21 November 2014 – To Mr Keith Stronach providing an opportunity to respond to comments made in submissions to the inquiry

- 21 November 2014 – Mr Ken Gouldthorp providing an opportunity to respond to comments made in submissions to the inquiry
- 21 November 2014 – To Mr Tim Owen providing an opportunity to respond to comments made in submissions to the inquiry
- 21 November 2014 – To Newcastle City Alliance providing an opportunity to respond to comments made in submissions to the inquiry
- 25 November 2014 - To Ms Alison McLaren regarding filming of proceedings at 24 November hearing
- 28 November 2014 – To Mr Ken Gouldthorp regarding an extension to answers to questions on notice
- 3 December 2014 – To Mr Jonathan Moylan, regarding suppression of his submission
- 5 December 2014 – To Lake Macquarie City Council, providing additional questions regarding submissions made to the council by Mr Andrew Cornwell in relation to the Whitebridge development.

Resolved, on the motion of Mr Donnelly: That:

- a) the committee authorise the publication of all responses to comments in submissions that have been received, or that will be received, where the author has requested the response to be published
- b) the committee keep correspondence from Mr Keith Stronach, regarding his response to comments in submissions, dated 1 December 2014, confidential, as per the request of Mr Stronach.

4. Public submissions

Resolved, on the motion of Mr Donnelly: That the committee authorise the replacement of submission no. 220 with a revised version, with the submission to read 'Revised submission' on the cover.

Mr Shoebridge joined the meeting at 9.37 am.

5. Submission no. 368

Resolved, on the motion of Ms Cusack: That the committee keep submission no. 368 confidential.

6. Answers to questions on notice and supplementary questions

The committee noted that the following answers to questions on notice and supplementary questions were published by the committee clerk under the authorisation of an earlier resolution:

- answers to questions on notice from Mr Alan Squire, Convenor, Hunter Transport for Business Development, received 30 November 2014
- answers to questions on notice from Mr Nat McGregor, Chief of Staff, University of Newcastle, received 1 December 2014
- answers to additional questions on notice from Mr Paul Broad, Chairman, Hunter Development Corporation, received 2 December 2014
- answers to questions on notice from Lake Macquarie City Council, received 3 December 2014
- answers to additional questions on notice from Transport for NSW and Roads and Maritime Services, received 3 December 2014
- answers to supplementary questions from Friends of King Edward Park, received 4 December 2014
- answers to questions on notice from Mr Peter Anderson, Head of Wholesale Projects Division, UrbanGrowth NSW, received 4 December 2014
- answers to questions on notice from Mr Andrew Fletcher, Property Council of Australia, received 5 December 2014
- answers to questions on notice and supplementary questions from Department of Planning and Environment, received 5 December 2014

- answers to questions on notice from Mr Angus Gordon, The GPT Group, received 5 December 2014
- answers to questions on notice from Honeysuckle Residents Association, received 5 December 2014
- answers to questions on notice from Hunter Development Corporation, received 5 December 2014
- answers to questions on notice from Lord Mayor Nuatali Nelmes, Newcastle City Council, received 5 December 2014
- answers to questions on notice from Lord Mayor Nuatali Nelmes, Newcastle City Council, received 9 December 2014
- answers to questions on notice from Mr Peter Chrystal, Newcastle City Council, received 10 December 2014.

7. Transcript corrections

Resolved, on the motion of Mr Shoebridge: That the committee authorise the insertion of a footnote to p 60 of Ms Burdekin's transcript of evidence from 7 November 2014, as requested by the witness.

8. Tended documents

Resolved, on the motion of Mr Donnelly: That the committee accept and publish the following documents tendered during the public hearing on 21 November 2014:

- Opening statement tendered by Clr Tim Crakanthorp, Newcastle City Council
- Revitalising Newcastle, Update in progress, tendered by Clr Tim Crakanthorp, Newcastle City Council
- Photograph of King Edward Park, tendered by Dr John Lewer, Vice President, Friends of King Edward Park Inc
- Attitudes toward redevelopment of the Newcastle CBD: Survey of Residents in the NSW Electorate November 2008, tendered by Ms Kristen Keegan, Chief Executive Officer, Hunter Business Chamber
- Newcastle City Centre Renewal Community Survey, Final Report 24 July 2009, Hunter Valley Research Foundation, tendered by Ms Kristen Keegan, Chief Executive Officer, Hunter Business Chamber
- Newcastle City Centre Renewal Report to NSW Government March 2009, Hunter Development Corporation, tendered by Ms Kristen Keegan, Chief Executive Officer, Hunter Business Chamber
- Newcastle CBD/Rail Strategy 'Why the HDC/Urbis Cost-Benefit Study is Invalid', tendered by Professor Howard Dick, Faculty of Business and Economics, University of Melbourne.

Ms Cusack moved: That the committee accept and keep confidential the opening statement tendered by Ms Sharon Grierson, former federal member of Newcastle, during the public hearing on 21 November 2014 on the grounds that it contains defamatory statements and lacks credibility.

Question put.

The committee divided.

Ayes: Ms Cusack, Mr Pearce.

Noes: Mr Donnelly, Revd Nile, Mr Shoebridge, Ms Voltz.

Question resolved in the negative.

Mr Donnelly moved: That the committee accept and keep confidential the opening statement tendered by Ms Sharon Grierson, former federal member of Newcastle, during the public hearing on 21 November 2014.

Question put.

The committee divided.

Ayes: Mr Donnelly, Revd Nile, Mr Shoebridge, Ms Voltz.

Noes: Ms Cusack, Mr Pearce.

Question resolved in the affirmative.

9. Consideration of Chairman's draft interim report

The Chairman submitted his draft interim report entitled '*The planning process in Newcastle and the broader Hunter region*', which, having been previously circulated, was taken as being read.

Ms Cusack moved: That the following statement be inserted on the front cover of the report:

'WARNING: this report has been rushed out in order to benefit the interests of a certain political parties contesting the 28 March 2015 State Election. It therefore canvasses issues before ICAC that are unresolved and regrettably pre-empt the ICAC's Report – this has been necessary in order to meet the campaign priorities of certain members of the committee.

The report contains numerous unsupported allegations by local politicians in Newcastle who were campaigning for the Newcastle and Charlestown by-elections and/or the Lord-Mayor's by-election, but failed to disclose the obvious conflict of interest when submitting their evidence. We note key recommendations in the report were already being publically called for by the Chair and Deputy Chair of the committee prior to even the first witness being called.

The committee apologises to witnesses who have been unfairly defamed under parliamentary privilege during hearings, in published material and in this report. We sincerely apologise to the people of Newcastle for the lack of fairness and objectivity in our approach to the inquiry and the resultant political bias in the following report. This is due to the state election occurring in three months time and conducting a more considered inquiry was not possible due to the pressing need to generate and exploit incorrect and defamatory material under the guise of a parliamentary committee in order to further our own political campaigns.'

Mr Shoebridge took a point of order that the proposed amendment was out of order.

The Chairman upheld the point of order.

Ms Cusack moved: That the committee dissent from the ruling of the Chairman on the grounds that the amendment is in order.

Question put: That the committee dissent from the ruling of the Chairman.

The committee divided.

Ayes: Ms Cusack, Mr Pearce.

Noes: Mr Donnelly, Revd Nile, Mr Shoebridge, Ms Voltz.

Question resolved in the negative.

Ms Cusack moved: That all the report recommendations concerning the truncation of the railway line be omitted and that the following new paragraph be inserted instead:

'We note that as a parliamentary committee we quite properly have no role or expertise in planning decisions, the terms of reference required that we investigate planning processes and not seek to improperly come up with our own planning recommendations. We lack the evidence and authority to make recommendations concerning the timing of changes to the rail line, let alone comment on the proposed route.'

Question put.

The committee divided.

Ayes: Ms Cusack, Mr Pearce.

Noes: Mr Donnelly, Revd Nile, Mr Shoebridge, Ms Voltz.

Question resolved in the negative.

Chapter 1

Mr Shoebridge moved: That the following new paragraphs be inserted at the end of the chapter introduction:

‘This is an interim report delivered by the committee in the shadow of the NSW Government’s ill-considered plan to remove heavy rail from the centre of this state’s second city. This report identifies the lack of any coherent economic, social or environmental case for the removal of the heavy rail line and is forwarded to both the government and the people of Newcastle and the broader Hunter region as a considered attempt to closely and carefully review the evidence in relation to the project. Our conclusion is clear, the rail line should remain.

There is no cogent argument available to support the removal of heavy rail in Newcastle, while in almost every other major city in the country governments are investigating the delivery of more and improved heavy rail as essential transport infrastructure of the 21st century.’

Question put.

The committee divided.

Ayes: Mr Donnelly, Revd Nile, Mr Shoebridge, Ms Voltz.

Noes: Ms Cusack, Mr Pearce.

Question resolved in the affirmative.

Resolved, on the motion of Ms Voltz: That chapter 1, as amended, be adopted.

Chapter 2

Resolved, on the motion of Ms Voltz: That:

- a) paragraph 2.17: ‘The report recommended terminating the Newcastle rail line at Wickham on the western side of Stewart Avenue to permit ‘... unencumbered private vehicle and pedestrian movement across the rail corridor around Newcastle, Civic and Wickham, and to encourage urban renewal in the Newcastle City Centre and its waterfront’ be moved to appear after paragraph 2.21
- b) paragraph 2.18: ‘In order to achieve this goal, the following action was required:
 - closure of existing Newcastle, Wickham and Civic stations
 - closure of Newcastle Stabling yard
 - removal of all level crossings east of, and including, Stewart Avenue
 - construction of a new Wickham Station and stabling facility to compensate for loss of Newcastle Stabling
 - potential land acquisition for the new terminus and stabling’
 be moved to appear after paragraph 2.22
- c) paragraph 2.22 be amended by omitting ‘would be preferable, and achieve’ and inserting instead ‘would achieve’
- d) paragraph 2.32 be amended by omitting ‘appointed AECOM to undertake’ and inserting instead ‘commenced’
- e) paragraph 2.32 be amended by inserting ‘In February 2010, AECOM was appointed by Transport for NSW to develop a Transport Management and Accessibility Plan for the Newcastle city centre.’ at the end [FOOTNOTE: AECOM Australia, prepared for Transport NSW, *Newcastle City Centre Renewal – Transport Management and Accessibility Plan, Phase 2: Integrated Transport Strategy*, 22 October 2010, p 3.]
- f) paragraph 2.71 be amended by inserting a full stop after ‘\$220,000 per week’ and inserting ‘This estimated cost is’ before ‘due to staffing’
- g) paragraph 2.74 be amended by omitting ‘the majority of feedback questioning the’ and inserting instead ‘one of the key pieces of feedback around the’

h) paragraph 5.1 be amended by omitting 'it stated that' and inserting instead 'it was reported that'.

Mr Shoebridge moved: That paragraph 2.11 be amended by inserting 'what is described as' after 'UrbanGrowth NSW led'.

Question put.

The committee divided.

Ayes: Mr Donnelly, Revd Nile, Mr Shoebridge, Ms Voltz.

Noes: Ms Cusack, Mr Pearce.

Question resolved in the affirmative.

Mr Shoebridge moved: That the following new paragraph be inserted after paragraph 2.12:

'A number of consultant and agency reports are discussed in this chapter together with the conclusions reached in those reports. Unless expressly stated this committee does not endorse any such conclusions which are included as necessary background to understanding the purported basis on which the government has determined to remove Newcastle's heavy rail line.'

Question put.

The committee divided.

Ayes: Mr Donnelly, Revd Nile, Mr Shoebridge, Ms Voltz.

Noes: Ms Cusack, Mr Pearce.

Question resolved in the affirmative.

Resolved, on the motion of Ms Cusack: That paragraph 2.14 be amended by inserting at the end: 'The committee requested Ms McKay to appear to give evidence, however, Ms McKay declined.'

Resolved, on the motion of Mr Shoebridge: That paragraph 2.18 be amended by inserting 'said to be' after 'following action was'.

Resolved, on the motion of Mr Shoebridge: That paragraph 2.29 be amended by omitting ', in particular, identified' and inserting instead 'concluded'.

Mr Donnelly left the meeting.

Mr Shoebridge moved: That paragraph 2.38 be amended by inserting at the end: 'Despite the centrality of the removal of the rail line to the Newcastle Urban Renewal Strategy, no submissions were sought on the government's decision to remove the rail line'.

Question put.

The committee divided.

Ayes: Revd Nile, Mr Shoebridge, Ms Voltz.

Noes: Ms Cusack, Mr Pearce.

Question resolved in the affirmative.

Mr Donnelly rejoined the meeting.

Mr Shoebridge moved: That paragraph 2.43 be amended by inserting at the end: 'No factual basis has been provided to support this allocation or budget as sufficient or appropriate to the task.'

Question put.

The committee divided.

Ayes: Mr Donnelly, Revd Nile, Mr Shoebridge, Ms Voltz.

Noes: Ms Cusack, Mr Pearce.

Question resolved in the affirmative.

Ms Cusack moved: That paragraph 2.43 be amended by inserting at the end: 'We note the committee did not request this information from the government.'

Question put.

The committee divided.

Ayes: Ms Cusack, Mr Pearce.

Noes: Mr Donnelly, Revd Nile, Mr Shoebridge, Ms Voltz.

Question resolved in the negative.

Mr Pearce moved: That paragraph 2.68 be amended by omitting 'Much of the evidence received' and inserting instead 'Evidence received'.

Question put and negated.

Resolved, on the motion of Mr Shoebridge: That paragraph 2.69 be amended by omitting 'Committee Chairman wrote' and inserting instead 'committee resolved to support the Committee Chairman writing'.

Mr Pearce moved: That paragraph 2.79 be omitted:

'The remaining chapters of this report explore in detail the concerns raised by inquiry participants regarding the truncation of the heavy rail line (chapter 3), the construction of light rail (chapter 4), and the influence of developer donations (chapter 5).'

Question put.

The committee divided.

Ayes: Ms Cusack, Mr Pearce.

Noes: Mr Donnelly, Revd Nile, Mr Shoebridge, Ms Voltz.

Question resolved in the negative.

Mr Shoebridge moved: That chapter 2, as amended, be adopted.

Question put.

The committee divided.

Ayes: Mr Donnelly, Revd Nile, Mr Shoebridge, Ms Voltz.

Noes: Ms Cusack, Mr Pearce.

Question resolved in the affirmative.

Chapter 3

Mr Pearce moved: That paragraph 3.16 be amended by omitting 'Numerous inquiry participants' and inserting instead 'Some inquiry participants'.

Question put and negated.

Resolved, on the motion of Mr Pearce: That paragraph 3.21 be amended by omitting 'there are two widely divergent views' and inserting instead 'there are widely divergent views'.

Resolved, on the motion of Mr Shoebridge: That the following paragraphs be inserted after paragraph 3.22:

'It is notable that almost every one of the submissions in support of cutting the rail line came from business and/or property interests in the city. Only a small number of Newcastle residents made a submission in support of truncating the rail line.'

Overwhelmingly the submissions from the general public and from transport academics were strongly opposed to the cutting of the rail line. The committee did not receive a single submission from a resident of Maitland or the Upper Hunter, a region that relies on the rail line connection to the Newcastle CBD, in support of the rail truncation.

As a committee that is formed from a democratic chamber we give significant weight to the strong and consistent opinions that were delivered to us by the people of Newcastle and the Hunter and we believe that any responsible government should do the same.’

Resolved, on the motion of Ms Voltz: That paragraph 3.34 be amended by inserting the following footnote after ‘a report by the Hornery Institute called “Decay to Destination”’:

[FOOTNOTE: The committee notes that the ‘Decay to Destination’ report was undertaken by the Hornery Institute on behalf of their client The GPT Group. We also note the Hornery Institute states that this report should not be relied on wholly or in part when making decisions with financial or legal implications.]

Ms Cusack moved: That paragraph 3.39 be amended by omitting ‘removing the perceived barrier’ and inserting instead ‘removing the barrier’.

Question put and negatived.

Mr Shoebridge moved: That paragraph 3.40 be amended by inserting ‘It is an undeniable fact that the City of Newcastle has a rail line that runs to the northern side of its CBD. This is a far from unusual feature in a city the size of Newcastle. It is difficult to accept that the presence of a heavy rail public transport infrastructure in the centre of a city’s CBD is a net negative to the growth and development of a modern city. Nevertheless,’ at the beginning of the paragraph.

Question put.

The committee divided.

Ayes: Mr Donnelly, Revd Nile, Mr Shoebridge, Ms Voltz.

Noes: Ms Cusack, Mr Pearce.

Question resolved in the affirmative.

Ms Voltz moved: That chapter 3, as amended, be adopted.

Question put.

The committee divided.

Ayes: Mr Donnelly, Revd Nile, Mr Shoebridge, Ms Voltz.

Noes: Ms Cusack, Mr Pearce.

Question resolved in the affirmative.

Chapter 4

Mr Pearce moved: That the heading ‘Waste of money’ and paragraphs 4.3 to 4.17 be omitted:

‘Waste of money

Many inquiry participants argued that truncating the heavy rail line and replacing it with a light rail service so close to the existing train line was financially wasteful. For example, Mr Alan Squire, Convenor, Hunter Transport for Business Development, remarked:

... it is waste for the Government to put forward a proposal costing \$460 million to truncate the rail, shift the railway line 20 metres, in effect, to Hunter Street, and incur that cost when there are alternatives available which would avoid all that waste.

As noted in chapter 2, Transport for NSW advised that \$460 million has been allocated to the Newcastle Urban Renewal and Transport Program, which includes the truncation of the rail line, construction of a new transport interchange at Wickham, introduction of a light rail system and implementation of a seven to ten year program for urban renewal. The portion of that amount that has been allocated to the light rail was not specified.

The NSW Commuter Council similarly questioned the value of replacing the rail with a service only metres away from the current line, stating: 'Terminating a perfectly functional and convenient system which has delivered people promptly to their destination for over a century cannot be bettered by forcing people to take a similar system 40 metres away from their current transport.'

The estimated cost of the projects was criticised by numerous stakeholders, such as the author of submission no. 274 who argued that the plan to remove the heavy rail line, and build a light rail system and new interchange at Wickham was 'a ludicrous waste of money to duplicate the current level of access with no apparent gains.'

Concerns about costs were also raised by Ms Sharon Grierson, former federal member for Newcastle, who contrasted the estimated expense of the proposed two kilometre light rail service against the proposed light rail in the Australian Capital Territory:

... two kilometres of light rail at a cost of \$350 million does not present value for money, particularly when compared to the Australian Capital Territory plan to build a 12 kilometre light rail service at an estimated cost of \$750 million, nor does this two-kilometre stretch drive public transport patronage.

EcoTransit Sydney similarly compared the cost per kilometre between the proposed light rail in Newcastle and light rail in Europe:

The line would be about 2.5km in length and would therefore cost \$184m per (double) track kilometre. Recent light rail "start-ups" in equivalent small European cities (and there have been many) have come in at between \$30m and \$40m per kilometre. This would make the very simple Newcastle project four and a half times higher than the per-kilometre cost of the most expensive recent European start-up.

This is an extraordinarily high sum for such a tiny project ... No factor of topography, geology, urban form, historic structures or complications related to underground services could remotely account for such a difference. In fact all of these factors have typically been far more challenging in most of the European projects.

The cost of the proposed light rail caused particular angst for a number of inquiry participants who considered light rail to be an inferior mode of transport to heavy rail. For example, Mr Peter Sansom asserted: '[T]his government is determined to press ahead with wasting hundreds of millions of dollars to close the railway and leave Newcastle with a grossly inferior transport system'.

Planning Plus shared a similar view, commenting:

The sum of money likely to be involved is extraordinary for a project that would merely replace an existing functional piece of infrastructure with another one that at best would provide no service improvement, but which might significantly reduce the quality of service for existing and potential future users.

According to the hierarchy of transport outlined by Clr Tim Crakanthorp from the City of Newcastle, shifting from heavy to light rail would be regressive and problematic:

In terms of hierarchy of transport, you have walking, then bikes, then cars, then buses, then light rail, then heavy rail. We are putting 5,000 students in a new set of law courts, which you have all seen, plus GPT's 500 units, 25,000 square metres of retail and other commercial. And we are going to step backwards in the hierarchy to a less frequent system, one with less capacity. That is the big problem.

Mr Peter Newey suggested that the shift would have a negative impact on patronage: 'Train services into Newcastle have worked well for 150 years. Why replace with something inferior that would drive people away from public transport?'

Rail patronage will be considered in more detail later in this chapter.

Dr Graham Boyd, Secretary, Hunter Commuter Council, questioned why the rail was being truncated when substantial funds have been spent on upgrading the heavy rail line:

... millions have been spent upgrading the railway line, upgrading the stations, upgrading the signalling system, upgrading the level crossings. Instead, we are going to not use that. We are going to build a tram line down Hunter Street and Scott Street for \$400 million at the risk of causing great disruption to traffic, particularly the replacement bus service.

Dr Boyd added: '[I]here seems to be no rationale for replacing expensive infrastructure with even more expensive infrastructure'.

Others suggested that there would be greater economic benefit in using the allocated funds for other developments within Newcastle. As put by Mrs Cecily Grace: 'Such a lot of money which could be shared for the many projects throughout the entire city!'

Dr Geoff Evans, President of the Newcastle Inner City Residents Alliance, agreed that the money could be better used to improve other important services and infrastructure within Newcastle:

Why spend money ripping up a railway line, duplicating it with a light rail just a couple of metres to the opposite side when that money could be used for proper development – hospitals, schools, infrastructure for the western areas of Newcastle and services for young people, for disabled people and all those other services that Newcastle has been denied? The opportunity is there but this Government seems determined to waste half a billion dollars.'

Question put.

The committee divided.

Ayes: Ms Cusack, Mr Pearce.

Noes: Mr Donnelly, Revd Nile, Mr Shoebridge, Ms Voltz.

Question resolved in the negative.

Resolved, on the motion of Mr Donnelly: That the following heading and paragraphs be inserted after paragraph 4.77:

'Legal capacity to close railway line

In New South Wales the closure and disposal of railway lines is governed by specific legislation. The legislation is the *Transport Administration Act 1988*. Section 99A of the Act provides:

- (i) A rail infrastructure owner must not, unless authorised by an Act of Parliament, close a railway line.

- (ii) For the purposes of this section, a railway line is closed if the land concerned is sold or otherwise of or the railway tracks and other works concerned are removed.
- (iii) For the purposes of this section, a railway line is not closed merely because a rail infrastructure owner has entered into an ARTC arrangement or lease or other arrangement in respect of it pursuant to an agreement entered into by the Commonwealth and the State.

The Act was referred to by some inquiry participants, such as Mr Budd who told the committee:

... a railway in New South Wales cannot be closed except by an Act of Parliament. No such act has been passed since the 1960s. Since then many rail lines in the state – country branch lines – have had their services withdrawn, but they have not been legally closed. Importantly the rails and sleepers cannot be removed without closure by way of an Act of Parliament. As a result, the many ‘closed’ railway lines throughout country New South Wales remain intact but in a derelict state.

The submission from Hunter Transport for Business Development also noted that ‘the Transport Administration Act prohibits the removal of railway lines without parliamentary authorisation’.

Similarly, Save Our Rail commented:

... s 99A of the Transport & Administration Act requires the ‘Act of Parliament’ for the closing of ‘railway or rail line’. If the government does introduce legislation to cut the rail line it would enable the decision to be fully debated in the parliament.

We note the concerns raised in submissions as to the capacity of the government to remove the railway line given the terms of s 99A of the *Transport Administration Act*. However, the committee has not been furnished with authoritative legal advice on this matter and is unable to draw a conclusion in this regard.’

Resolved, on the motion of Ms Voltz: That the Chairman write to the Premier to seek a copy of any legal advice that has been provided to the NSW Government in regard to the truncation of the Newcastle rail line under section 99A of the *Transport Administration Act 1988*.

Mr Pearce moved: That paragraph 4.78 be amended by omitting ‘the overwhelming opposition’ and inserting instead ‘the opposition’.

Question put and negatived.

Mr Pearce moved: That paragraph 4.80 be amended by inserting ‘some’ before ‘inquiry participants’.

Question put and negatived.

Mr Pearce moved: That paragraph 4.80 be amended by:

- a) inserting ‘what is described as’ before ‘the significant impact’
- b) inserting ‘what is described as’ before ‘The likely’.

Question put and negatived.

Resolved, on the motion of Ms Voltz: That paragraph 4.78 be amended by omitting ‘heavy rail line’ and inserting instead ‘electric railway line’.

Resolved, on the motion of Mr Shoebridge: That the following new paragraph be inserted after paragraph 4.80:

‘The committee accepts that the balance of evidence presented to us was that the removal of the rail line would create significant negative outcomes for the city’s and the region’s transport network.’

Resolved, on the motion of Ms Voltz: That the quote in paragraph 4.96 be amended by omitting: ‘In relation to the light rail, in February and March this year UrbanGrowth led a robust community

engagement process on three possible routes. Over 300 members of the community attended those sessions and we received 1,000 feedback forms. The findings of the engagement were strong support for the light rail in the city centre.’ and the following new quote be inserted instead:

‘Over 60 stakeholders attended the engagement forums and approximately 300 community members visited the community information sessions.’ [FOOTNOTE: Answers to questions on notice, Mr Peter Anderson, Head of Wholesale, UrbanGrowth, 4 December 2014, p 1.]

Mr Pearce moved: That paragraph 4.108 be amended by inserting the following footnote at the end:

[FOOTNOTE: Hunter Research Foundation (HRF) is an independent, world-class research organisation dedicated to the growth and success of the Hunter Region and working in partnership with individual research clients.]

Question put.

The committee divided.

Ayes: Ms Cusack, Mr Pearce.

Noes: Mr Donnelly, Revd Nile, Mr Shoebridge, Ms Voltz.

Question resolved in the negative.

Resolved, on the motion of Mr Pearce: That paragraph 4.113 be amended by omitting ‘is a major issue for many residents’ and inserting instead ‘is a major issue’.

Mr Shoebridge moved: That paragraph 4.118 be omitted: ‘It is clear from conflicting results between the Hunter Valley Research Foundation survey and other poll and surveys that there are two very opposing views to the rail truncation, however, we have not received enough evidence to comment on the validity of those polls,’ and the following new paragraph be inserted instead:

‘The evidence before the committee makes it clear that there is no polling or public consultation process in support of truncating the rail line that is accepted as a legitimate expression of the views of the people who will be impacted by the removal of the rail line. The government’s failure to engage the community in an open and transparent manner so as to gauge their views on the proposed removal of the rail line has fostered a divisive debate in the community on the issue. This is seen by the committee as a significant failing in the decision making process and greatly undermines the legitimacy of the current plans.’

Question put.

The committee divided.

Ayes: Mr Donnelly, Revd Nile, Mr Shoebridge, Ms Voltz.

Noes: Ms Cusack, Mr Pearce.

Question resolved in the affirmative.

Mr Pearce moved: That paragraph 4.137 be omitted: ‘The fact that these documents have not been provided was criticised by inquiry participants, such as Ms Grierson, who questioned whether they even exist:

‘I am not aware of any Cabinet papers being released. You have asked for papers. I don’t even know if they exist and neither do you. As I say to you, were proper feasibility studies done? Were proper cost-benefit analyses done? You don’t know and I don’t know. No-one has ever seen such documents.’ [FOOTNOTE: Evidence, Ms Sharon Grierson, former Federal member for Newcastle, 21 November 2014, p 43.]

Question put.

The committee divided.

Ayes: Ms Cusack, Mr Pearce

Noes: Mr Donnelly, Revd Nile, Mr Shoebridge, Ms Voltz.

Question resolved in the negative.

Mr Pearce moved: That paragraph 4.147 be amended by omitting 'false' before 'assumption'.

Question put.

The committee divided.

Ayes: Ms Cusack, Mr Pearce

Noes: Mr Donnelly, Revd Nile, Mr Shoebridge, Ms Voltz.

Question resolved in the negative.

Mr Pearce moved: That paragraph 4.148 be amended by omitting 'NSW Government' and inserting instead 'Hunter Development Corporation'.

Question put.

The committee divided.

Ayes: Ms Cusack, Mr Pearce

Noes: Mr Donnelly, Revd Nile, Mr Shoebridge, Ms Voltz.

Question resolved in the negative.

Mr Shoebridge moved: That paragraph 4.148 be amended by inserting 'Hunter Development Corporation and the' before 'NSW Government'.

Mr Shoebridge moved: That paragraph 4.148 be amended by omitting 'While we acknowledge Mr Anicich's suggestion that the flaw in the analysis is irrelevant, we are nonetheless significantly concerned that it occurred in the first place and that the analysis appears to have formed the basis of the government's decision to truncate the rail line' and inserting instead 'We do not accept Mr Anicich's suggestion that the flaw in the analysis is irrelevant. This flaw, together with the defects identified by Professor Dick, make it clear that the analysis was fundamentally flawed and it is deeply troubling that this analysis has formed the basis of the government's decision to truncate the rail line. No government should be making such an important decision on this material.'

Question put.

The committee divided.

Ayes: Mr Donnelly, Revd Nile, Mr Shoebridge, Ms Voltz.

Noes: Ms Cusack, Mr Pearce.

Question resolved in the affirmative.

Mr Pearce moved: That paragraphs 4.149, 4.150 and Recommendation 1 be omitted:

'The committee also notes the concerns regarding the lack of other cost benefit analyses or business cases for the rail truncation, Wickham Interchange or light rail projects. We regret that these documents were not provided in the return to Dr Faruqi's order for papers as it has made it difficult for the committee to make definitive conclusions regarding these decisions. We are of the view that the government should provide these documents by 31 January 2015 in order for the committee to make sound conclusions about the integrity of the decisions in its final report.

The committee has therefore agreed to write to the Secretary of the Department of Premier and Cabinet to request that the documents not provided in the return to order for papers relating to planning in Newcastle and the Hunter, dated 23 October 2014, be released to the committee by 31 January 2015.

Recommendation 1

That the NSW Government provide all of the documents listed in the order for papers relating to planning in Newcastle and the Hunter, dated 23 October 2014, by 31 January 2015, as requested by the committee.'

Question put.

The committee divided.

Ayes: Ms Cusack, Mr Pearce.

Noes: Mr Donnelly, Revd Nile, Mr Shoebridge, Ms Voltz.

Question resolved in the negative.

Resolved, on the motion of Mr Shoebridge: That paragraph 4.149 be amended by:

- a) omitting 'in order for the committee to make sound conclusions about the integrity of the decisions in its final report' and inserting instead 'to assist the committee in its work'
- b) omitting 'We regret that these documents' and inserting instead 'We note that these documents'.

Resolved, on the motion of Ms Cusack: That paragraph 4.149 be amended by inserting the following footnote at the end:

[FOOTNOTE: However, we accept the longstanding convention that cabinet documents properly the subject of cabinet-in-confidence are not produced under Standing Order 52.]

Mr Shoebridge moved: That the following new recommendation be inserted after paragraph 4.181:

'That no steps be taken to remove Newcastle's existing rail infrastructure until a peer-reviewed report is obtained by the NSW Government that thoroughly considers the economic, social and environmental costs and benefits of the alternative options of removing and retaining the existing rail line.'

Question put.

The committee divided.

Ayes: Mr Donnelly, Revd Nile, Mr Shoebridge, Ms Voltz.

Noes: Ms Cusack, Mr Pearce.

Question resolved in the affirmative.

Mr Donnelly moved: That, as per the committee comment at paragraph 4.150, the committee write to the Secretary of the Department of Premier and Cabinet to request that the documents not provided in the return to order for papers relating to planning in Newcastle and the Hunter, dated 23 October 2014, be released to the committee by 31 January 2015.

Question put.

The committee divided.

Ayes: Mr Donnelly, Revd Nile, Mr Shoebridge, Ms Voltz.

Noes: Ms Cusack, Mr Pearce.

Question resolved in the affirmative.

Mr Pearce moved: That paragraphs 4.180, 4.181 and Recommendation 2 be omitted:

'The committee notes that inquiry participants have identified a number of alternative proposals to truncating the rail line at Wickham, including sinking the rail line underground, constructing additional

overbridges and level crossings, and landscaping the existing rail corridor. We also note the criticism of the NSW Government for a perceived failure to explore the costs and benefits of these alternatives.

The committee shares the concerns of inquiry participants that a number of seemingly practical and cost-effective options to improving the connection between the Newcastle city centre and the foreshore appear to have been inadequately explored by the government. Given the significant proposed costs involved with removing the rail line and replacing it with the light rail, we believe that it is prudent for the government to adequately explore and provide cost benefit analyses on other alternatives, before commencing the truncation of the rail line.

Recommendation 2

That the NSW Government postpone the truncation of the Newcastle heavy rail line until it undertakes and publishes cost benefit analyses of alternative options, including sinking the rail line, constructing additional overbridges and/or level crossings, landscaping the existing rail corridor and reducing train speeds.'

The committee divided.

Ayes: Ms Cusack, Mr Pearce.

Noes: Mr Donnelly, Revd Nile, Mr Shoebridge, Ms Voltz.

Question resolved in the negative.

Mr Shoebridge moved: That Recommendation 2 be omitted: 'That the NSW Government postpone the truncation of the Newcastle heavy rail line until it undertakes and publishes cost benefit analyses of alternative options, including sinking the rail line, constructing additional overbridges and/or level crossings, landscaping the existing rail corridor and reducing train speeds.' and the following new recommendation be inserted instead:

'That in undertaking the cost benefit analysis in Recommendation X the NSW Government consider a series of alternative options to the removal of the rail line including sinking the rail line, constructing additional overbridges and/or level crossings, landscaping the existing rail corridor and reducing train speeds.'

The committee divided.

Ayes: Mr Donnelly, Revd Nile, Mr Shoebridge, Ms Voltz.

Noes: Ms Cusack, Mr Pearce.

Question resolved in the affirmative.

Resolved, on the motion of Ms Voltz: That paragraph 4.108 be amended by inserting the following footnote at the end:

[FOOTNOTE: The research conducted by Hunter Valley Research Foundation was paid for by The GPT Group. (Hunter Valley Research Foundation, *Attitudes Toward Redevelopment of the Newcastle CBD: Survey of Residents in the Newcastle Electorate*, November 2008, p 1).

Mr Donnelly moved: That chapter 4, as amended, be adopted.

The committee divided.

Ayes: Mr Donnelly, Revd Nile, Mr Shoebridge, Ms Voltz.

Noes: Ms Cusack, Mr Pearce.

Question resolved in the affirmative.

Chapter 5

Resolved, on the motion of Ms Voltz: That the following paragraphs 5.18 to 5.23 be relocated to appear after paragraph 5.2:

‘Support for proposed route

Other inquiry participants supported the proposed light rail service running down Hunter Street. For example, Mr Peter Chrystal, Director of Planning and Regulatory, The City of Newcastle, contended that if the light rail were to run along the existing rail corridor it would continue to act as a barrier to the waterfront:

Council’s key goal for the city centre is revitalisation through attracting people to live, recreate, work and invest in our city. Council’s view is hence the option to run a Light Rail system on the existing corridor does not deliver on the council’s revitalisation goals for Newcastle and perpetuates the existing barrier to the waterfront.’ [FOOTNOTE: Evidence, Mr Peter Chrystal, Director of Planning and Regulatory, The City of Newcastle, 7 November 2014, pp 37-38.]

Mr Andrew Fletcher, NSW Regional Director, Property Council of Australia, also supported the proposed light rail route down Hunter Street, insisting that it will provide greater access to areas of Newcastle city for more people:

I am excited about the proposed light rail route because it will make access to the beach and across the city far easier for everyone – the elderly, the disabled, pedestrians and cyclists, who currently have to negotiate pedestrian overpasses and railway level crossings. An upgrade over a few metres between a heavy rail and a light rail system will be an enormous improvement for the people of Newcastle.’ [FOOTNOTE: Evidence, Mr Andrew Fletcher, NSW Regional Director, Property Council of Australia, 24 November 2014, p 48.]

Extension of the light rail

Another consideration raised by some inquiry participants was the desire for a light rail service that extends to other major areas and destinations around Newcastle. Mr Chris Chapman, Managing Director, Colliers International Newcastle commented to the committee:

I would love to get onto a tram or light rail and head down to Wickham. That would be fabulous. The great cities of the world all have light rail systems and I think it would be the thin edge of the wedge. In my lifetime I would like to see it run down Union Street, connect up to Darby Street and head up to the beach. I think it would be great. I am excited by it.’ [FOOTNOTE: Evidence, Mr Chris Chapman, Managing Director, Colliers International Newcastle, 21 November 2014, p 15.]

The former member for Newcastle, Ms Sharon Grierson, likewise expressed support for a more extensive light rail network as opposed to the proposed two kilometre route which she strongly viewed to be inadequate. Further, Ms Grierson emphasised the importance of the light rail being connected to a truly seamless transport network:

... in the best cases I saw, and some of those were in France, it was so seamless and it was multimodal. Park-and-ride, major bus connectivity, heavy rail – stepping right off the heavy rail with a suitcase that just rolled straight on to light rail. I have seen the benefits of light rail and Newcastle would be wonderfully served by light rail, but that is not what we are getting in a two-kilometre \$350 million waste of money.’ [FOOTNOTE: Evidence, Ms Sharon Grierson, former Federal member for Newcastle, 21 November 2014, p 42.]

A light rail system that extends to the inner suburbs of Newcastle was supported by Mr Richard Anicich, Immediate Past President, Hunter Business Chamber, who commented:

I look forward to the day when there is light rail running from the new Newcastle terminus around the inner suburbs to the stadium at Broadmeadow, to the John Hunter Hospital, to the Mater Hospital, to the airport, to the university. People need to think, not about today or tomorrow but 10 years, 20 years, 30 years time and you need to get started; you need to have the vision of what can be and have the passion to get there.' [FOOTNOTE: Evidence, Mr Richard Anicich, Past President, Hunter Business Chamber, 21 November 2014, p 59.]

Transport for NSW advised in its Hunter Regional Transport Plan, released in March 2014, that during the planning stage of the light rail network, consideration will be given to how the network can be extended in the future:

As we plan for the first stage of light rail for Newcastle, we are at the same time investigating how the light rail could be extended in the future. Planning work will consider how to better connect with key destinations and activity centres, such as Hunter Stadium; the University of Newcastle at Callaghan; Charlestown Square; John Hunter Hospital; Mater Hospital and Newcastle Airport.' [FOOTNOTE: Transport for NSW, *Hunter Regional Transport Plan*, March 2014, p 47.]

Resolved, on the motion of Mr Pearce: That the following new paragraphs be inserted after paragraph 5.5:

The letter from Mr McCloy to Minister Hazzard advised that four projects planned by the McCloy Group for the Newcastle CBD had been put on hold until a decision is made on the heavy rail line. [FOOTNOTE: Correspondence from Mr Jeff McCloy, Chairman, McCloy Group to the Hon Brad Hazzard MP, Minister for Planning and Infrastructure, 13 February 2012. The four projects mentioned are the Lucky Country Hotel, Telstra Civic Building, a vacant block on Bolton Street, and the Blackwood site on Hannell Street.]

Mr McCloy noted that these sites had been purchased on the basis that the rail line would be closed and that the GPT Group projects would proceed, and concluded that the McCloy Group '... has no further desire to add to its property portfolio whilst the current heavy rail line is in place'. [FOOTNOTE: Correspondence from Mr Jeff McCloy, Chairman, McCloy Group to the Hon Brad Hazzard MP, Minister for Planning and Infrastructure, 13 February 2012.]

A briefing note prepared by the Hunter Development Corporation notes that the NSW Government had been approached by several landowners, investors and developers from Newcastle seeking a commitment from the government to remove the heavy rail line. [FOOTNOTE: Briefing note, Department of Planning and Infrastructure, Hunter Development Corporation, *Newcastle heavy rail line*, 27 February 2012.]

The response to Mr McCloy from the Minister advised that the Department of Planning and Infrastructure was currently preparing an urban renewal strategy for Newcastle to 'help create an environment conducive to further investment and urban renewal'. [FOOTNOTE: Correspondence from the Hon Brad Hazzard MP, Minister for Planning and Infrastructure to Mr Jeff McCloy, Chairman, McCloy Group, undated.]

Mr Pearce moved: That paragraph 5.6 be omitted:

'Similar concerns were echoed by other inquiry participants, such as Hunter Transport for Business Development, which contended that the decision to run the light rail along Hunter Street represented considerable waste and that it was necessary to examine the rationale for this decision:

We consider it vital to explore the reasoning/rationale just why the government turned 180 degrees from its original decision and chose an option costing more than twice as much as the full corridor option, wasting the capital already invested in the existing line, to in effect duplicate the existing rail line in Hunter Street which in most places is 20 to 30 metres from the rail corridor and right next to Scott Street.’ [FOOTNOTE: Submission 282, Hunter Transport for Business Development, p 5.]

Question put.

The committee divided.

Ayes: Ms Cusack, Mr Pearce.

Noes: Mr Donnelly, Revd Nile, Mr Shoebridge, Ms Voltz.

Question resolved in the negative.

Resolved, on the motion of Mr Pearce: That paragraph 5.11 be omitted:

‘Likewise, another inquiry participant submitted:

You are no doubt aware that the route chosen for the light rail primarily runs down one of the busiest streets in Newcastle. Co-incidentally, this was the preferred route for a prominent Newcastle developer and former Lord Mayor, Jeff McCloy.’ [FOOTNOTE: Submission 190, Name suppressed, p 3.]

Resolved, on the motion of Mr Pearce: That paragraph 5.14 be omitted unless the submission author agrees to have their submission made public:

‘Another submission author contended that the decision to not use the existing corridor and rail infrastructure suggests the light rail option has not been properly considered by the NSW Government:

The plan to remove the heavy rail and replace it with light rail extending down Hunter and Scott St a mere 20 metres away is such a ludicrously expensive duplication of current infrastructure it is no wonder that the state government has not supplied a business case to support the plan. It is indeed no wonder that the state government hasn’t costed the plan and hasn’t in anyway begun to initiate the plan and have stated that it may commence is a couple of years.’ [FOOTNOTE: Submission 274, Name suppressed, p 3.]

Mr Pearce moved: That paragraphs 5.24, 5.25 and Recommendation 3 be omitted:

‘The committee notes the concerns raised by inquiry participants regarding the proposed Hunter Street light rail route and considers that the decision to not utilise the entire existing rail corridor should be revisited.

In the committee’s view, the cost and disruption of constructing light rail down Hunter Street, especially given the existence of infrastructure available to use along the heavy rail corridor if it is truncated, represents an unnecessary waste and impact on the community. We therefore recommend that, if the truncation occurs and the light rail project proceeds, the NSW Government abandon its plans to run the light rail down Hunter Street and instead run the light rail down the existing corridor.

Recommendation 3

That, if the Newcastle light rail project proceeds, the NSW Government abandon the proposed Hunter Street route and use the existing rail corridor for the light rail service.’

Question put.

The committee divided.

Ayes: Ms Cusack, Mr Pearce.

Noes: Mr Donnelly, Revd Nile, Mr Shoebridge, Ms Voltz.

Question resolved in the negative.

Mr Shoebridge moved: That the following new paragraph be inserted after paragraph 5.24:

‘The committee believes that the current proposal for the light rail route does not have broad community support and was delivered after a process that has been rightly criticised as flawed. On all the evidence before the committee the light rail option proposed represents a poor alternative to the existing heavy rail line in the CBD.’

Question put.

The committee divided.

Ayes: Mr Donnelly, Revd Nile, Mr Shoebridge, Ms Voltz.

Noes: Ms Cusack, Mr Pearce.

Question resolved in the affirmative.

Mr Shoebridge moved: That Recommendation 3 be omitted: ‘That, if the Newcastle light rail project proceeds, the NSW Government abandon the proposed Hunter Street route and use the existing rail corridor for the light rail service’ and the following new recommendation be inserted instead:

‘That the NSW Government not proceed with the proposed Hunter Street light rail route unless and until supported by a peer-reviewed cost benefit analysis that thoroughly considers not only the retention of the existing rail line but also the provision of light rail on the existing rail corridor.’

Question put.

The committee divided.

Ayes: Mr Donnelly, Revd Nile, Mr Shoebridge, Ms Voltz.

Noes: Ms Cusack, Mr Pearce.

Question resolved in the affirmative.

Mr Donnelly left the meeting.

Mr Shoebridge moved: That the following new paragraph be inserted after paragraph 5.44:

‘The government presented no viable argument to support the decision to terminate rail services on Boxing Day. The government representatives acknowledged they had no existing plans for the rail corridor after the closure of the rail line and therefore the purported urgency to terminate services can only be seen as running to a political as opposed to practical timetable by the government. For the good of the people of Newcastle and the Hunter the existing rail line services should be retained until a considered and well informed decision is made on the future of the rail corridor, as proposed in Recommendation X. At the very minimum, the government should not proceed with closing the existing rail line until their alternative light rail is fully funded and approved with a clear timetable for completion.’

Question put.

The committee divided.

Ayes: Revd Nile, Mr Shoebridge, Ms Voltz.

Noes: Ms Cusack, Mr Pearce.

Question resolved in the affirmative.

Mr Pearce moved: That paragraph 5.44 be omitted:

‘The committee shares the concerns of inquiry participants regarding the timeframe to truncate the rail line on Boxing Day 2014, considering that construction of the light rail is not expected to commence until late 2015. We see no reason why the government needs to rush the closure of such a vital piece of transport infrastructure, especially given that the proposed light rail route will not be using the existing tracks.’

Question put.

The committee divided.

Ayes: Ms Cusack, Mr Pearce.

Noes: Revd Nile, Mr Shoebridge, Ms Voltz.

Question resolved in the negative.

Mr Pearce moved: That Recommendation 4 be omitted:

‘Recommendation 4

That, if the truncation of the Newcastle heavy rail line proceeds, the NSW Government postpone the date of truncation until construction of the light rail service commences.’

Question put.

The committee divided.

Ayes: Ms Cusack, Mr Pearce.

Noes: Mr Donnelly, Revd Nile, Mr Shoebridge, Ms Voltz.

Question resolved in the negative.

Mr Donnelly re-joined the meeting.

Mr Pearce moved: That paragraph 5.59 be omitted:

‘The committee acknowledges that Transport for NSW have advised that surfboards and other luggage can be carried on the buses, however, we question whether the buses can accommodate multiple passengers with prams, bicycles, surfboards and wheelchairs as the heavy rail can.’

Question put.

The committee divided.

Ayes: Ms Cusack, Mr Pearce.

Noes: Revd Nile, Mr Shoebridge, Ms Voltz.

Question resolved in the negative.

Resolved, on the motion of Mr Shoebridge: That paragraph 5.81 and Recommendation 5 be amended by omitting ‘low-rise development only’ and inserting instead ‘low scale development associated with community, recreational and public uses’.

Resolved, on the motion of Mr Pearce: That Recommendation 5 be amended by omitting ‘guarantee’ and inserting instead ‘ensure’.

Resolved, on the motion of Mr Shoebridge: That the following new paragraph be inserted after paragraph 5.78:

‘On 3 December 2014 the Premier, the Hon Mike Baird MP, said that the Newcastle City Council would have to endorse any development on the unused rail corridor:

Under our plan Newcastle Council will have the final say about what development occurs on the former rail corridor and it must tick off on any proposal before it proceeds. I know the council and some in the community have concerns about this project. We want to ensure we get the best outcome for Newcastle, which is why we are taking this step ... Given the importance of this once-in-a-generation revitalisation process, we believe it is critical that Newcastle Council plays a key role in the planning decisions for the city's future.' [FOOTNOTE: Michelle Harris, 'Premier Mike Baird confirms rail corridor open to development', Newcastle Herald, 3 December 2014 < <http://www.theherald.com.au/story/2741384/rail-corridor-to-be-developed-premier/>>]

Mr Shoebridge moved: That paragraph 5.81 and Recommendation 6 be amended by inserting ' , under the control and direction of Newcastle City Council,' after 'transparent planning process'.

Question put.

The committee divided.

Ayes: Mr Donnelly, Revd Nile, Mr Shoebridge, Ms Voltz.

Noes: Ms Cusack, Mr Pearce.

Question resolved in the affirmative.

Mr Shoebridge moved: That paragraph 5.109 be omitted: 'The committee notes that the final design for the interchange is yet to be determined, and acknowledge the comments from the Transport Minister that the community's feedback will be considered. We urge the NSW Government to ensure that this occurs.', and the following new paragraph be inserted instead:

'The committee accepts the balance of opinion presented to it that the proposed transport interchange at Wickham will produce significant negative outcomes for both local traffic and public transport users. These problems are intrinsic to the site chosen for the interchange and do not appear to be able to be resolved by further design refinements.'

Question put.

The committee divided.

Ayes: Mr Donnelly, Revd Nile, Mr Shoebridge, Ms Voltz.

Noes: Ms Cusack, Mr Pearce.

Question resolved in the affirmative.

Mr Donnelly moved, That chapter 5, as amended, be adopted.

Question put.

The committee divided.

Ayes: Mr Donnelly, Revd Nile, Mr Shoebridge, Ms Voltz.

Noes: Ms Cusack, Mr Pearce.

Question resolved in the affirmative.

Chapter 6

Resolved, on the motion of Mr Pearce: That paragraph 6.10 be omitted unless the submission author agrees to have their submission made public:

'Similar concerns were voiced by other inquiry participants, such as the author of submission no. 6, who referred to the illegal donations accepted by some government members from developers and commented:

It is ... the developers generally who have the most to gain from the truncation of the rail line. For they have a desire to build on sections of the line, and in fact a Government minister was quoted in the media as confirming that sections of the line would be sold off for development.

I therefore feel that the Government hasn't made their decision based on the best interests of the community. Rather, their motivation has been to benefit the developers from whom they have been accepting donations illegally.

The decision seems so illogical and makes no sense from a public policy perspective, hence, the reason to question the motives of the Government in making the decision.' [FOOTNOTE: Submission 6, Name suppressed, p 3.]

Resolved, on the motion of Mr Pearce: That paragraph 6.11 be omitted unless the submission author agrees to have their submission made public:

'The author of submission no. 189 alleged outright that '[i]t has become apparent in the ICAC inquiry that illegal political donations were given to successful candidates in the Hunter and it is evident that one "payoff" for achieving a Liberal victory was the removal of the rail ...'. [FOOTNOTE: Submission 189, Name suppressed, p 1.]

Resolved, on the motion of Mr Pearce: That paragraph 6.16 be omitted unless the submission author agrees to have their submission made public:

'Similarly, another submission author noted that Mr McCloy was involved in a major campaign to remove the rail line – Fix Our City – and observed that as Mr McCloy owns several properties in and around Hunter Street, his development company 'stand[s] to gain a lot of money from acquiring former rail corridor land or the contract to develop it.' [FOOTNOTE: Submission 274, Name suppressed, p 2.]

Resolved, on the motion of Mr Pearce: That paragraph 6.19 be omitted unless the submission author agrees to have their submission made public:

'Concern was also raised about the impact of illegal donations from Buildev to the former member for Newcastle, Mr Owen. As articulated by one inquiry participant:

The fact that the member for Newcastle was found to have accepted illegal donations from Buildev, a firm that would stand to make a lot of money from potential commercial and residential development contract on the rail land, raises the prospect that the decision was initiated and motivated by the potential monetary gains this firm stood to make from development of the rail corridor.' [FOOTNOTE: Submission 274, Name suppressed, p 2.]

Resolved, on the motion of Mr Pearce: That paragraph 6.62 be amended by inserting ' , at or about the time he commenced as the General Manager' after '14 February 2011.'

Resolved, on the motion of Mr Pearce:

- a) That paragraph 6.65 be amended by omitting 'continue to be excluded from all duties related to his conflicts of interest for as long as those conflicts of interest exist. This is consistent' and inserting instead 'conflicts of interest are managed consistently in accordance with the NSW Planning and Infrastructure Conflicts of Interest Policy and Guidelines 2011.'
- b) That Recommendation 7 be amended by inserting 'conflicts of interest held by' before 'the General Manager', and omitting 'continues to be excluded from all duties related to his conflicts of interest for as long as those conflicts of interest exist.' and inserting instead 'are consistently managed in accordance with the NSW Planning and Infrastructure Conflicts of Interest Policy and Guidelines 2011.'

Resolved, on the motion of Mr Shoebridge: That paragraph 6.64 be amended by omitting ‘Nonetheless, we acknowledge the evidence from the corporation that Mr Hawes has not participated in any board meetings considering the proposed redevelopment at Wickham, and that in fact the board itself has only had one meeting since 2009 where it made a decision endorsing the Newcastle Urban Renewal Strategy and/or the future possible truncation of the rail line, due to its limited decision-making role.’ and inserting instead:

‘The committee notes that the corporation asserts that there have been no decisions made by the Board regarding the proposed redevelopment at Wickham since Mr Hawes became General Manager and therefore no conflict of interest has been declared by him. However, it is clear from matters on the public record, including the evidence from the Secretary of the Department of Planning and Infrastructure, that Mr Hawes has addressed the Board on the issue of the truncation of the rail line in his capacity as General Manager.

This is a matter that the committee will consider in its final report.’

Ms Voltz moved: That chapter 6, as amended, be adopted.

Question put.

The committee divided.

Ayes: Mr Donnelly, Revd Nile, Mr Shoebridge, Ms Voltz.

Noes: Ms Cusack, Mr Pearce.

Question resolved in the affirmative.

Ms Cusack moved: That chapter 1 be reconsidered in order to consider the following amendment:

That the following words be inserted at the beginning of the chapter:

‘WARNING: this report has been rushed out in order to benefit the interests of a certain political parties contesting the 28 March 2015 State Election. It therefore canvasses issues before ICAC that are unresolved and regrettably pre-empt the ICAC Report.

The report contains numerous unsupported allegations by local politicians in Newcastle who were campaigning for the Newcastle and Charlestown by Elections and/or the Lord-Mayor’s by-election, but failed to disclose the obvious conflict of interest when submitting their evidence.

The committee apologises to witnesses who have been unfairly defamed under parliamentary privilege during hearings, in published material and in this report. We sincerely apologise to the people of the Hunter for the lack of fairness in our approach to the inquiry.’

The Chairman ruled that the motion was out of order.

Resolved, on the motion of Mr Donnelly that:

- a) the draft report, as amended, be the report of the committee and that the committee present the report to the House;
- b) the committee secretariat correct any typographical, grammatical and formatting errors prior to tabling;
- c) the committee secretariat be authorised to update any committee comments where necessary to reflect changes to recommendations or new recommendations resolved by the committee;
- d) dissenting statements be provided to the secretariat within 24 hours after receipt of the draft minutes of the meeting;
- e) the report be tabled on Thursday 18 December 2014.

10. Other business

The committee noted that the deliberative for the final report will be held on 23 February 2015.

11. Adjournment

The committee adjourned at 1.26 pm *sine die*.

Teresa McMichael
Clerk to the Committee

Appendix 9 Dissenting statement

The Hon Catherine Cusack MLC and the Hon Greg Pearce MLC, Liberal Party

The decision to truncate the Newcastle Rail line at Wickham has been hotly debated for many years, and was first officially proposed by a Report initiated by former Hunter Minister Jody MacKay in 2009. We note and deeply regret Ms MacKay's refusal to give evidence to the Committee. She is uniquely placed to assist the Inquiry which was regrettably politicised. Ms McKay's evidence could have balanced the deep political bias that is unveiled in the extraordinary statements in the opening paragraphs of the Report:

“This report identifies the lack of any coherent economic, social or environmental case for the removal of the heavy rail line.... There is no cogent argument available to support the removal of heavy rail in Newcastle...”

This claim is the precise opposite of huge tracts of factual evidence put to the Committee, including detailed reports prepared by independent economic, transport planning and urban planning experts who examined and recommended removal of the physical rail line barrier that separates the Newcastle CBD from its own harbour, on the basis that it is vital to the City's future.

This opening statement by the Committee that there is no coherent case, and no cogent argument favouring the truncation denies evidence documented in its own report – including four reports pre-dating the 2011 election:

- The 2009 Hunter Development Corporation Report (requested by Ms MacKay)
- 2009 Parsons Brinkerhoff's "Newcastle CBD Integrated Transport - Identification of preferred Transport Scheme"
- 2009 Urbis Report "Newcastle CBD strategy"
- 2010 AECOM Report "Newcastle City Centre Renewal - Transport Management and Accessibility Plan"

The key reason given in Parliament for conducting this inquiry was to uncover any links between allegedly improper political donations revealed by ICAC's Operation Spicer and Newcastle Planning decisions including truncation of the rail line. After extensively canvassing Spicer (which isn't even concluded yet by ICAC) receiving 300 submissions and conducting 3 days public hearings, the Committee is forced on page 74 to find no such evidence was received by our Inquiry.

This admission should have restrained the Committee from airing so many unsubstantiated, reckless attacks on the integrity of these planning decisions. This especially applies to those allegations and imputations made by witnesses who are candidates for political office with an obvious (albeit undeclared) self interest in damaging confidence in those decisions.

Having failed to find any evidence connecting Spicer to the truncation of the rail line, the Committee shifted the goal posts for the Inquiry, asserting the NSW Government is in a "rush" to terminate the rail line, which then became the main focus of the interim report. This allegation was not made during the Parliamentary debate. As a result much of the Inquiry descended into recycling old and bitter arguments that have plagued Newcastle for years.

The Committee's assertion of a "rush" must be weighed against two facts – First, Minister Hazzard announced the closure on 14 December 2012, and second, Minister Berejiklian announced the final timeframe in July 2014. In other words it will have taken more than two years to implement the decision. The idea that two years constitutes a "rush" is ludicrous – and yet the entire rationale for the report hangs on this subjective assertion.

We disagree with all planning recommendations in this highly politicised report including a new route for the light rail. These recommendations are not a reflection of our expertise (the Committee has none) nor are they carefully considered or the subject of proper consultation – rather they reflect a desire to crowd-please.

We deeply regret the publication of evidence submitted by political candidates and their supporters, which contains so much adverse comment and defamatory material. This was published by the Committee in its unsuccessful bid to cast doubt on the integrity of the Rail Line truncation and the Newcastle CBD Renewal Strategy.