

INQUIRY INTO CROSS CITY TUNNEL

Organisation:

Name: Mr Mario and Mrs Amalia Retamal

Telephone:

Date Received: 25/05/2006

Theme:

Summary

To Whom It May Concern:

We are writing to you as we were involved in the Lane Cove Tunnel Collapse last November. We are of Chilean heritage/Spanish speaking and although we speak English, it is not with confidence. We are two hardworking people enjoying retirement and looking forward to spending the rest of our lives in our unit. The tunnel collapse changed our lives forever. We have lost our life saving investment. After months and months of devastating and traumatic events, we feel there is no alternative but to seek your help.

Attached is a copy of the correspondence sent to the Theiss John Holland board, stating our situation as it now stands. After six months of attempted negotiations, we have been met with constant intimidation. Obviously to a large company such as T J Holland, the day to day suffering we experience means nothing.

The reality is, as my family commented recently, *"You were once the life of our family. Now you are suffering depression, anxiety and many other health problems as a result of this incident. Due to continuous excavations our whole family is suffering. Who knows what we are inhaling? Our mother is a complete nervous wreck, who refuses to leave the house. You are both living in a constant state of fear about the future"*

Once you read the attached letter, you will understand how the peaceful life we were living has totally been turned upside down. Theiss J Holland stated publicly and personally on several occasions that *"No residents should be worse off as a result of the subsidence incident"*. It has caused an upheaval in all of our lives. Most residents in the block have had to sell and move to other areas as they could not afford to purchase an equivalent unit in Lane Cove. We have no choice but to stay in this unit, there is nothing in Lane Cove; equivalent to the unit we are living in now. We have spent the last 6 months looking at other options. It has been our precious time wasted, not to mention the expense. T J Holland has done absolutely nothing to find us an equivalent home. The way I view the situation, is that T J Holland were the cause of this problem, and now, they should fix it.

As stated in Anne Davies article, 31 March 2006, SMH. Work cover's preliminary report found *"Theiss John Holland had failed to properly deal with a "complex and difficult [geological] environment" in the area where the collapse occurred. But the report went further than simply blaming the geological factors. It said the 22-metre diagonal width of the tunnel in the area of the collapse may have been too large, "particularly when the roof strata are comprised of low strength and fractured shale"*.

This terrible situation has arisen due to no fault of ours. People in the community, like my wife and I, should not be disadvantaged just because large companies like T J Holland have armies of lawyers and endless resources to fight their battles. This is their fault and we are paying for it everyday. **We need your help.**

Yours sincerely,

Mario and Amalia Retamal

5 April 2006

Mrs Janet Holmes a Court
Chairman
John Holland Board

Dear Mrs Holmes a Court,

I am writing to you as I feel you may have an interest in this matter, since you are on the John Holland Board.

Let me introduce myself, my name is Mario Retamal and I am a current owner of 2/15 Longueville Rd Lane Cove. We are the faceless people from the units next door to the building that collapsed and would like to bring to your attention the terrible situation we have been living for the last 4 months.

On November 2nd 2005, the Lane Cove Tunnel collapsed leaving many residents without a home, including my family.

Since that day, we have spent many sleepless nights wondering where our future would lie.

One day we had all the comforts anyone could want and a home that was suitable in every way and the next day evacuated without a single thing to your name.

The confusion of the first few days followed by the uncertainty up until today has caused me to write to you.

The day after the collapse, T J Holland made a public statement that the site was safe and that the buildings would be safe to reoccupy. Pressure was being put on us to go back home even though no safety tests had been carried out at this time. It was not until Lane Cove Council got involved and placed an order on T J Holland that this pressure stopped. Crucial information for our return was denied to Council Engineers as well as our own Engineers.

During our time away, we had to move three times, ending up at Chatswood in a 2 bedroom apartment. Our home comprises of 3 large bedrooms, as there are 5 in the family, 3 adults and 2 children. One of my granddaughters had to sleep in our already crowded bedroom waking up most nights.

All throughout this ordeal there has been NO communication from T J Holland. All of the news we heard was through the press, as regular press releases were issued. This became a common occurrence even though we expressed our concern on several occasions.

On the 23rd of December we received a letter under our door, letting us know that negotiations were opened for discussion and that they would only take claims till end of January. Nothing else was said. This was our Christmas present.

Instead of enjoying this special time with our family and friends, we had to put our claim together which meant total disruption to the festivities.

We had planned a trip to see my son and his family in Brisbane. That had to be cancelled. No expression of goodwill or any other information regarding our return was given by the consortium.

On January 20th, we received a second envelope under our door. This time it said that the council order had been lifted and that we were expected to return home by Saturday 28th January.

Just this week, we were told that the ramp would be closed for a further five weeks and that works would be carried out during this period. Since we are right at the front of the building, we are most affected.

Since early January 2006, we have been in negotiation with Brendan Donahue (Project Manager, T J Holland).

Firstly, our intention was to put this ordeal right behind us and sell, but Mr Donahue will not take into account that there are no three bedroom apartments in Lane Cove that match in size, quality, position in relation to shops, public transport and proximity to CBD (7 mins to city) as well as a large courtyard.

Secondly, he is treating us as willing sellers, which we are not. Our lives have been changed and disrupted and we have lost our life long investment. We have not willingly chosen to be in this position.

After searching Lane Cove for something comparatively similar, we have come to the realization that we will be worse off.

We are now having to stay and want to claim loss of market value which is the difference between what the unit was worth before the collapse and the amount of money someone would pay today (day of settlement). This has also been denied. (Attached is the claim put forward to Brendan Donohue)

Since leaving our homes, 2.00 am November 2nd 2005 we have become invisible pawns caught up in a situation beyond our control. This situation is ongoing and very distressing. Works continue daily and are a constant reminder of how this whole incident has ruined our little piece of paradise. At no stage did we want to move from our HOME, and now I feel that we are being pushed to sell without our consent.

The major problem Mr Donahue has is in understanding that this was not of our own doing. On one of the telephone conversations I had in respect to the enclosed claim, Mr Donahue said "Your claim has been denied, I will sign a cheque for 20 or 30 K and we can settle this

matter straight away". I find his attitude to be extremely disrespectful considering the gravity of the situation.

All we desire is for your company to compensate us for our loss of market value. Nothing else. Through this ordeal this promise was made by several Executives from T J Holland:

Mr King stated on November 13th 2005, ". Now we have to deal with the people there fairly and equitably and we continue to state time and time again that we will not allow the people to be caught up in the insurance net, that we will pay them fair and reasonable values. Now you could imagine some people might dream up outrageous claims. We don't want to get into any conflict with those people, we want to treat them fairly, compensate them for their loss. Their loss of their unit, their loss of any furniture that they might have, clothing, temporary accommodation, stamp duty etc, now that will be worked through."

In a letter from Mr Donahue to residents dated December 20th 2005, "Theiss John Holland has confirmed that it will compensate owners for costs they incur in putting themselves back in their position immediately prior to the incident."

T J Holland Media Release dated March 6 2006, "Theiss John Holland stands by its undertaking that no residents should be worse off as a result of the subsidence incident and has been working continuously to ensure the wellbeing of unit owners and tenants."

We are perplexed as to the hesitation to offer fair compensation given the amount we are requesting in comparison to the annual turnover of T J Holland and Leighton Group, as seen in the table below:

compensation value	profit type	Company Profit Amount	Compensation as a % of Profit
\$345,000	Leighton Holdings	\$2,400,000,000	0.014375 %
\$345,000	TJ Holland	\$1,100,000,000	0.031363636 %
\$345,000	Salary for Mr King	\$60,000,000	0.575 %

In addition I would like to point your attention to the WorkCover NSW report; Friday 31 March (Sydney Morning Herald) which was tabled in State Parliament found "inappropriate construction sequencing".

The report attributed the collapse to the geological conditions, the large span of the tunnel intersection, the proximity of the excavation to the surface, and the inadequacy of the tunnel roof support installations. The report found Thiess John Holland had failed to properly deal with a "complex and difficult [geological] environment" in the area where the collapse occurred.

The WorkCover NSW investigation is continuing. A spokesman for Thiess John Holland said "The company understand this is an interim report and will look carefully at the views expressed at this stage".

As you can see from the latest report, there are still many questions that need to be answered before the whole area can be declared completely safe in our eyes and in the public eyes. This incident is not something that can be erased immediately; it will take many years before this area goes back to being just another two blocks in Lane Cove.

This is the reason we are claiming loss of value. We believe that the claim we have put forward is totally justified.

The loss of value on our property seems like a drop in the ocean in comparison to the figures above. We cannot understand why T J Holland is not willing to settle this matter once and for all.

We have been extremely patient, understanding and even too tolerant but now we want an outcome, a fair outcome to be able to put this nightmare behind us.

We urge you to look into this situation and bring forth an outcome that will be favourable to both parties.

Yours sincerely,

Mario Retamal