

**INQUIRY INTO IMPACT OF THE WESTCONNEX  
PROJECT**

**Name:** Pauline Lockie  
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Partially  
Confidential

**SUBMISSION TO THE PUBLIC ACCOUNTABILITY COMMITTEE INQUIRY INTO  
THE IMPACT OF THE WESTCONNEX PROJECT**

Dear Committee Members,

My name is Pauline Lockie, and I am the independent Councillor for the Stanmore ward of the Inner West Council. Prior to this, I was one of the founding members of the WestConnex Action Group (WAG), a community group that campaigns against the WestConnex project, and for sustainable city planning. This document contains my formal submission to the NSW Parliamentary Inquiry into the Impacts of WestConnex.

At a personal level, WestConnex completely changed the course of my life, and the lives of my family. In November 2014, we were still settling into the home in St Peters we'd lived in for less than two months when WestConnex representatives knocked on our door to inform us our home was to be forcibly acquired for the project. This was despite the fact we'd been told by project staff that there were "no current plans" in relation to our property – our first home – just before we purchased it in July 2014.

Over the next three years, my family fought the NSW Roads and Maritime Service (RMS) to receive the compensation to which we were legally entitled. During that period, we were forced to start paying rent to remain in our own home. We were evicted months before it was demolished, and well before any compensation agreement had been reached. The only reason we received the cost of this rent back, and all the other costs and compensation payments we were eventually paid, was because we took the RMS to the Land and Environment Court.

The legislation pertaining to compulsory acquisitions changed during this process, thanks to a combination of cabinet leaks and residents like my family speaking out. But has this actually improved matters for people whose properties are forcibly acquired? And why was the RMS allowed to get away with such an adversarial and unfair approach for so long?

Prior to WestConnex, I had no real involvement in activism, nor had I even vaguely considered running for political office. It is fair to say this would have remained the case, had WestConnex not had such a profound impact on our lives.

However, it wasn't just the personal impact of WestConnex that led me to this position. During my research into the project, I consulted with and reviewed research

by transport planners, urban planners, environmental organisations, scientists, transport economists, local councils, medical professionals, social workers, and other experts. I drastically increased my own knowledge of a range of fields including transport, planning, biodiversity, air pollution, construction impacts, and more.

My research has led me to one inescapable conclusion: WestConnex as proposed is the wrong solution at the wrong time for Sydney. It is out of step with international best practice when it comes to transport policy and creating liveable, sustainable, and economically viable cities in the 21st century.

Experience and research from independent experts here in Australia and overseas has shown that these kinds of toll road mega-projects are hugely expensive and do not ease congestion over the long term. If anything, such projects worsen congestion by increasing overall traffic volumes as the new road capacity fills up.

I have yet to hear of an independent transport expert who backs the project. Even the EISs produced for the various stages of WestConnex show it is not a long-term solution to Sydney's congestion problem. In addition, WestConnex is and will continue to divert billions of dollars of NSW and Federal taxpayer money into a tollway that only 1% of NSW's population will use.

If WestConnex's huge and rapidly escalating \$16.8 billion cost was invested in more sustainable transport options instead – such as public transport improvements in western and south-west Sydney, better management of Sydney's existing roads, and so on – it would not only reduce congestion and improve mobility in our capital. It would also free up much-needed public funds for roads, public transport, schools and hospitals in regional NSW. Spending it on a tollway so few people will use is both wasteful and deeply unfair. Yet there has never been a proper, objective analysis of alternative strategies for achieving the project's goals. Why is that the case?

During my time at WAG, and now as an elected Councillor, I have also deeply disturbed by the cursory and at times contemptuous manner by which WestConnex's proponents, contractors, and the NSW government have failed to manage the impacts of construction on people who live or work near its work sites.

I have been approached by more residents than I can count whose lives have been severely disrupted – and at times, devastated – by the compulsory acquisitions, air and noise pollution, botched demolitions, day and night construction works, damage

to homes, and other impacts of this project. I can safely say that barely a day goes by in my role at Inner West Council when I am not dealing with the impacts caused by this project, and the stress and anguish they are causing.

Yet the response from the WestConnex's proponents, contractors, and the NSW government has been to deny these impacts, and/or refuse to provide the compensation or mitigation measures needed to alleviate the problems they have created.

These impacts are ongoing, and their financial and social costs have never been properly assessed. But in every sense, they are huge and unacceptable. Why has the project been allowed to inflict such unacceptable impacts on thousands of residents? And why are these impacts continuing, even when the Premier, relevant Ministers, regulatory authorities and project proponents are entirely aware that they exist – and that people are suffering as a result?

For ease of analysis, I have formatted my submission using the terms of reference, and covered the relevant issues under each. I am happy to answer any questions you may have, and would welcome the opportunity to address the Committee at a hearing.

I thank the Committee for agreeing to conduct this important Inquiry, and for considering my submission.

Yours sincerely,

Councillor Pauline Lockie  
PO Box 3291  
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## **TERMS OF REFERENCE**

### **A. The adequacy of the business case for the WestConnex project, including the cost-benefits ratio**

There has been no compelling case made for why WestConnex should be built, and its component projects should never have been approved. The Updated Strategic Business Case for WestConnex is clear that any benefits from the WestConnex project will only come when/if the whole WestConnex project is built, and no benefits exist until all three stages are delivered (WestConnex Full Scheme: Economic Appraisal, KPMG, 19 November 2015). However, changes made to the project since that time cast even this weak and vague promise into doubt.

The original business case was approved by the New South Wales Government in August 2013. It stated that WestConnex would reduce traffic congestion, revitalise Parramatta Road and improve links to Sydney's Global Gateway (Port Botany and Sydney Airport). This document has never been publicly released.

The Updated Strategic Business Case for WestConnex was released in November 2015 – three years after the project was first proposed – and only then after intense public pressure, including a parliamentary petition that gathered more than 10,000 signatures from constituents across NSW opposed to WestConnex.

Even then, the Updated Strategic Business Case contained so many redactions and was so lacking in any serious detail that it is difficult for anyone outside of the NSW government to undertake a full review of the projected costs and benefits of the WestConnex project.

It is difficult to believe that a compelling business case that supports the benefits touted by its proponents would need to redact so much critical information, including the cost and revenue figures that form the cornerstone of such a document. These omissions are even more astonishing given the increasingly controversial nature of the WestConnex project.

"Commercial in confidence" excuses for this secrecy can hardly apply when the project is being funded almost exclusively by taxpayers. Any other project would see investors have full access to the accounts of the project before putting their money at risk. In this case, the NSW and Federal governments have placed billions of dollars of

taxpayers' money at risk on the project without giving the people who provided the funds access to this data. This is unacceptable.

The Updated Strategic Business Case failed to justify the WestConnex project. It contained many contradictions and did not address concerns previously raised:

- No information was provided about where people are travelling to or from, or how WestConnex caters for those trips. Seventy five per cent of car trips to inner Sydney originate from inner Sydney or the Eastern Suburbs. Seventy five per cent of commuter trips to Sydney and 45 per cent of trips to Parramatta CBD are by public transport. Almost 90 per cent of commuters who travel from western or south-western Sydney to the CBD for work do so via public transport.
- The Updated Strategic Business case claimed that the high level of Sydney's road congestion compared to other global cities justifies WestConnex. It is noteworthy that the cities against which Sydney was compared are not building major new motorways to address traffic congestion.
- Figure 2.5 Sydney's motorway network – the missing links (p71) illustrates 'missing links' in Sydney's motorway network. Stage 3 of WestConnex, the M4-M5 Link, is not on that map. The project does not provide a 'missing link' between the M4 and M5. The M7, A6 and A3 roads already provide this function. The whole concept of a "missing link" as expressed by WestConnex is a furphy, as such links should respond to the need to serve future demand rather than filling an idealised geometric 'gap' Strategic modelling undertaken for the City confirms that there is very little demand for a link between the M4 and M5 where WestConnex proposes it.

A fundamental flaw of the Updated Strategic Business Case is that it assumes a motorway is needed, rather than taking a modally agnostic approach to transport analysis. It therefore does not even consider if WestConnex is a more effective or cheaper option than alternatives such as demand management, public transport or a combination.

An analysis of the Updated Strategic Business Case by SGS Economics & Planning commissioned by City of Sydney described it as *"a confused document filled with contradictions which does little to address the wide ranging concerns about WestConnex"*. It then went on to summarise the following flaws:

- The benefit-cost ratio or BCR has been incorrectly quoted as 1.71. The quoted net present value of benefits and costs actually result in a BCR of 1.64.
- The Updated Strategic Business Case describes the need to fill in the missing links in Sydney's motorway network, but it does not identify connecting the M4 and M5 as a priority despite Stage 3 of WestConnex connecting the M4 and M5.
- Sydney's level of road congestion is ranked amongst other global cities to help justify WestConnex, but the *Updated Strategic Business Case* does not acknowledge that building major new motorways is not a solution that other similarly congested cities are implementing.
- The *Updated Strategic Business Case* describes how WestConnex will help renew Parramatta Road by reducing traffic on the surface, but then presents information showing that many parts of Parramatta Road will carry more traffic, not less, due to WestConnex.
- Access to Sydney's Global Gateway is touted as a key benefit of the project. However, the actual road link to Sydney Airport and Port Botany is not included in the scope of the *Updated Strategic Business Case*.
- The transport modelling contains many unexplained and counterintuitive results. This raises some doubts about the effectiveness and accuracy of the transport demand forecasts and the economic benefits claimed for the WestConnex project.

The SGS report also specified a number of factors within the transport modeling that would have the impact of reducing the BCR as follows:

- Infrastructure Australia requested that WestConnex assess the impact of induced demand. Induced demand accounts for people making new car trips, shifting from public transport or changing routes to make use of a new infrastructure project, which in turn, reduces travel time savings. Despite the induced demand being reported as being significant, the overall transport benefits have only been reduced by 3 per cent. A figure ten times that amount would be more likely. A 30 per cent reduction in transport benefits resulting from induced demand would reduce the BCR from the recalculated 1.64 to 1.15.
- The removal of small travel time savings (of less than 5 minutes) from the transport modelling would reduce the BCR from the recalculated 1.64 to 1.12. These small travel time savings are often not realised and can be considered inframarginal (too small to measure or notice) in economic terms.

- A high expansion factor (345 days) is used to convert daily benefits to annual benefits, which would increase the benefits by around 7 per cent compared to a more realistic factor of 320 days. The use of the more realistic factor would reduce the project BCR would reduce from the recalculated 1.64 to 1.52.
- Failing to account for the impact of the traffic flowing from the Western Harbour Tunnel onto WestConnex would also over-inflate the travel time savings. The *Updated Strategic Business Case* makes clear that the opening of the Western Harbour Tunnel will push up traffic volumes and the motorway network will be close to capacity.
- No modelling is undertaken after 2031, so there is no information on how WestConnex will perform in the longer term. Despite the Western Harbour Tunnel creating capacity constraints for WestConnex, benefits of the road are assumed to continue to increase until 2052.
- The very high transport benefits for business and light commercial vehicles are not explained by the *Updated Strategic Business Case*. The origin and destination of these trips is not explained at all. Given these two vehicle classes account for half of the WestConnex user benefits this is a major concern.
- The construction cost of the project appears conservative. A 30 per cent increase in project construction costs could reduce the BCR from 1.64 to 1.10.
- Not all costs have been accounted for, or are only partly accounted for. Reduced amenity impacting on urban development, acquisition of land which could be used for other higher value activities, reduced health benefits from potentially reduced public transport patronage and the cost of more severe car crashes have not been fully accounted for.

The SGS report's executive summary concluded by saying: *"All of these issues with the economic appraisal of WestConnex suggest that the project is likely to be marginal at best. When considering the number of benefits that are likely to be overestimated and costs that may have been underestimated, it is quite possible that the actual BCR for WestConnex is less than one. New South Wales taxpayers will be exposed to the risk of the project not succeeding in the short to medium term. Given this and the lack of strategic justification, the decision to proceed with WestConnex is questionable."*

The SGS report later went on to reveal that the vast majority of drivers using WestConnex would save just five minutes or less on their journeys.

FIGURE 14. AVERAGE TRAVEL TIME SAVINGS BY NUMBER OF TRIPS WITH WESTCONNEX (2026)

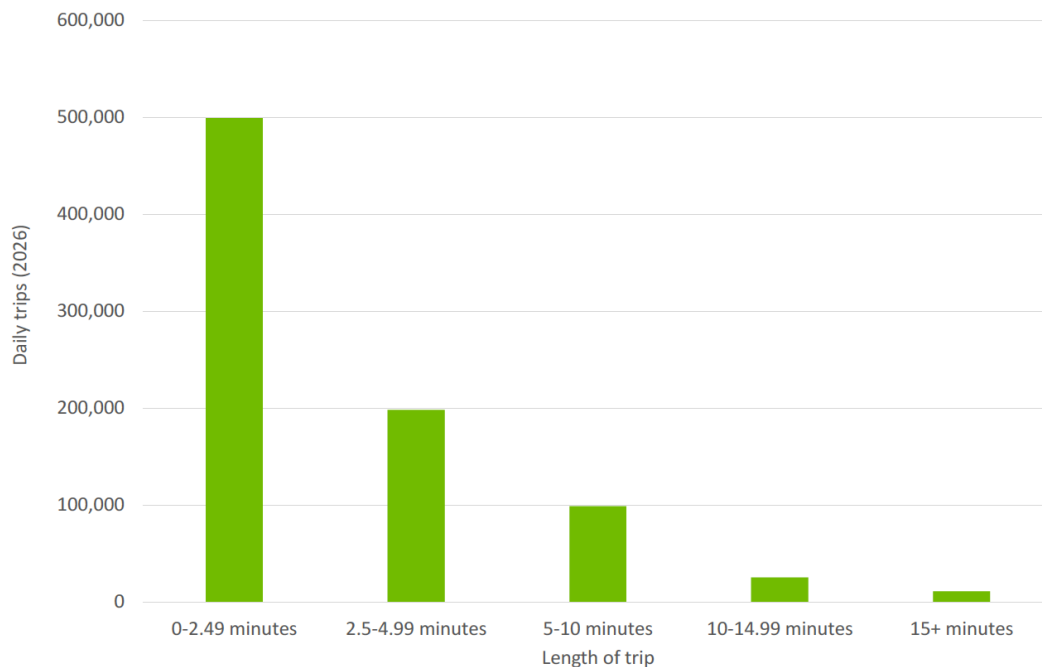


Figure 1. Travel time savings for WestConnex as calculated by SGS.

As the report noted:

*"Travel time savings resulting from WestConnex are generated primarily during peak periods. Non-peak periods have very low travel time savings, throwing doubt over who would use the road during such periods.*

*In a review of the Lane Cove Tunnel and Cross City Tunnel, the Roads and Maritime Services (RMS) describes that "the majority of travel time savings were less than five minutes (which are often not realised and can be considered inframarginal in economic terms)" (RTA 2010). Inframarginal means that they are within the margin of error of the modelling or/and cannot be observed by road users. In the case of the Lane Cove Tunnel, when travel time savings of less than five minutes were removed from the analysis, this BCR decreased by approximately 50 per cent."*

Given the number of previous toll road projects that have overestimated the travel time savings and drivers' propensity to use the toll road to the point where the projects have been financial disasters, including Sydney's Lane Cove Tunnel and Cross

City Tunnel, there is every reason to believe such small time savings will similarly discourage motorists from paying the high tolls to use WestConnex.

The full SGS report can be viewed at [www.bit.ly/sgs123](http://www.bit.ly/sgs123).

It is also worth noting that there is much serious independent and academic opinion and research that runs counter to assertions made about the WestConnex project and its benefits by the NSW government. Yet none of this is engaged with or reflected in the project's business case, environmental impact statements (EISs), and other documentation produced by the project. Nor has any serious attempt been made to assess the full costs and benefits of alternatives to the project, even though these would very likely deliver greater benefits to more people, at a potentially lower cost.

**B. The cost of the WestConnex project, including the size and reasons for overruns**

The NSW Government needs to reveal the true cost of WestConnex. They are hiding the endless cost blowouts of a project said to cost \$10 billion in 2012, then \$16.8 billion in 2016, when in actual fact the true cost could well be more than four and a half times that amount.

***B(i) Adding in related projects pushes the real cost of WestConnex well above \$16.8 billion***

Research conducted by the City of Sydney identified \$28.5 billion worth of extra costs attached to the NSW Government's WestConnex road project, bringing the expected cost to a staggering \$45.3 billion.

Every extension of the toll network, every exit and every entrance associated with WestConnex generates hundreds of millions of dollars of publicly funded road upgrades required to funnel traffic to the toll way, and to take traffic from it.

Extra costs	Cost/Estimate
Approaches and exits lane reconfigurations along M4	\$75,000,000
Sydney Airport travelling East	\$27,650,000
Sydney Airport travelling North	\$8,500,000
Sydney Airport travelling West	\$9,300,000

Sydney Airport/Port Gateway	\$2,500,000,000
Cross city link (Euston Road – Anzac Parade)	\$1,200,000,000
Flow on intersection and local road upgrades	\$20,000,000
Princes Hwy upgrades following St Peters Interchange.	\$100,000,000
Probable requirement for Gardeners Rd	\$400,000,000
Upgrade Western Distributor connections to cope with influx from Anzac Bridge, following Rozelle Interchange.	\$1,000,000,000
Iron Cove Link (expectation above estimate)	\$500,000,000
Upgrade all intersections, alignments, traffic management to Iron Cove Bridge, plus all approaches to Rozelle interchange on western side	\$1,400,000,000
Western Harbour Tunnel	\$9,000,000,000
Beaches Link	\$5,300,000,000
Southern Connector	\$6,800,000,000
<b>Total</b>	<b>\$28,500,000,000</b>

Just one exit from WestConnex in St Peters, for example, will require more than one billion dollars of publicly funded road upgrades to manage the tens of thousands of extra vehicles that will pour into the area daily.

This level of funding could mean NSW won't be able to afford any significant transport projects for decades to come and all for a project that everyone knows won't solve Sydney's congestion.

Its own business case shows most users will save less than five minutes and that the road network serving the toll road and some sections of tunnel will reach capacity as soon as 2031, only eight years after completion.

For western Sydney commuters, an overwhelming 89 per cent travel to the city on overcrowded public transport – what they need is more frequent and reliable public transport, not expensive toll roads that will cost them hundreds of dollars to use.

It is shocking that seemingly limitless billions of taxpayer funds are being funnelled into this project with little to no scrutiny, and despite strong criticism of the project by the NSW Auditor General, Infrastructure Australia and the Federal Auditor General.

***B(ii) The health costs of WestConnex have never been assessed***

The construction and operation of the WestConnex project is already having, and will continue to have, a severe and negative impact on the health of residents who live, work, or attend school or childcare along the motorway's path, as well as drivers who use its tunnels and feeder roads.

Professor Paul Torzillo, Executive Clinical Director of the Royal Prince Alfred Hospital in Sydney and a specialist in respiratory health, gave a presentation on the health risks of projects like WestConnex at a WAG public meeting in Newtown in 2015. He said:

*"In cities like Sydney, traffic-based air pollution – which the scientists call TRAP, which I think is pretty prophetic – is a major contributor to total air pollution in the cities... it's about 30% of the total air pollution that cities like our experience. It's got two main components. The first is what comes out of exhaust emissions... Then there's a second component to TRAP, and that's road dust, fine particles from bitumen and rubber ware, and these two components contribute to this thing that they call "particulate matter"; that just means "stuff in the atmosphere". It's all small, some of it's really small and some of it's really really small, and that gets absorbed into your lungs and into your body. All these things are bad for health.*

*"There's overwhelming international evidence now from organisations like WHO [World Health Organisation] that shows that that sort of pollution – if you look at what happens across big cities – it increases the number of heart attacks people have, strokes, it increases deaths from heart disease, deaths from respiratory disease, and there is some new evidence in the most recent WHO publication which says it probably impairs lung growth in children and it makes a contribution to diabetes, so these things on a population basis have a big impact on health.*

*"...these health effects occur both with long term exposure, and with repeated short term exposure. Again, the most recent WHO evidence suggests that repeated short-term exposure has definitely got a health consequence. And the last thing that's important is there's no evidence about a "safe" lower level of any of these things. So less is better, but less isn't safe. So almost all the*

important agency reports talk about “mitigating health effects”. The commonest word that you see in any of these reports is the word “mitigate”.

“So what happens when you get a project like WestConnex? There have been lots of these around the world, what do they do? Well the first thing to know is that the levels of this sort of traffic air pollution are high around busy streets, and they’re high probably for up half a kilometre each side – it depends on the topography and wind direction and various other things. Projects that involve tunnels redistribute traffic related pollution, so some places might be a bit better off, and other places might be worse off. So the tunnels themselves, the smoke stacks, the entrance points the exit point – all these places are likely to have higher levels, although you will see – and you will see on the website – it is hard to prove this because of a measurement problem that I’ll talk to you about in a second. Importantly when traffic emerges from tunnels, surprisingly, it has to go somewhere. So it goes back on to roads, and when it goes to those roads, then those roads have higher use, higher traffic, higher pollution levels.

“For a whole host of reasons, it’s incredibly hard to give a precise measure of how risky is it to live near a stack, near a tunnel entry or exit point, near a ventilation shaft, and there’s a whole lot for reasons for that. But that doesn’t refute the fact that the overwhelming evidence is that this traffic related air pollution is bad for health.

“Now many people say – and you’ll see this on the websites of every agency involved, that what should be done therefore is to monitor air quality. In fact agencies are very keen on this. But there are a lot of questions. The first is: how many of the components of some of the ones I mentioned are going to be managed? Do you measure them continuously or intermittently? How many monitors do you use? Where are they located? How does the public access this information?

“In a really big National Health and Medical Research Council review of tunnel related air pollution, the expert committee in their key summary said, and I quote, ‘We’d like to comment on how difficult it was to obtain data about some Australian tunnels.’ So if a federally funded, National Health and Medical Research Council with eminent scientists can’t access the information, how easy is it going to be for us?

*“The international experience with road projects such as these is that they encourage more traffic. There are more cars, and more people use them. This is bad for population health in Sydney, not just Newtown and St Peters. Traffic and roads have an impact on health. Aside from the ones I’ve mentioned, they reduce our ability to do a bit of walking or a bit of cycling, even as part of what your daily movement has to be. The big game in here is not monitoring, it’s diverting these billions of dollars from these sorts of systems into safe and efficient public transport systems and that’s what we should be concentrating on.”* (Full video: [youtube.com/watch?v=xjr5TEcEW-k](https://youtube.com/watch?v=xjr5TEcEW-k))

Professor Torzillo’s comments are echoed by respiratory health experts around the world, including WHO, and make it clear that the WestConnex project will worsen human health for not just those people who live, work or study along the project route, but also those who live, work or study near its ‘feeder’ roads; drivers who use WestConnex (particularly those who do so regularly and/or over long distances); and commuters who are locked into greater car dependency and long-distance commutes, rather than having access to healthier public or active transport options and/or employment, education or lifestyle opportunities closer to home.

Such impacts have an economic cost as well as the obvious social and emotional ones – for example, lost productivity and sick leave expenses associated with workplace absences, cost of seeking medical care for pollution-related illnesses, and so on.

Despite this, the human health risk assessments in the EISs for the various stages of WestConnex failed to properly measure these impacts and their associated costs. So much of the air dispersion, traffic, noise, and vibration modelling assumptions or results upon which these health assessments were based were insufficient, poorly done, and/or unable to be independently verified. Any deficiencies in the modelling, or change in predictions of pollutant air concentrations are likely to impact their findings, and may change their conclusions.

In addition, the health assessments for WestConnex engaged in a number of practices that underestimate the impact of the tollway on air quality and health, and therefore the costs associated with mitigating and addressing the health consequences of these impacts. These include:

- Not all pollutants relevant for assessing the impact of tunnel emissions were included, or were dismissed as having possible negligible impact. For example, the wear release of compounds entrained within tyres and brake pads that become resuspended in air and emitted from the tunnel stacks.
- Failure to assess the potentially different exposure profile for people who may be living above ground in medium-to high-rise apartments. This is particularly significant given the large numbers of people who already live in such developments along the route, and plans for thousands of new dwellings in medium-to-high-rise apartments along or near the project route.
- Calculations used in some cases were inappropriate, and likely to be diluting the exposure and therefore the estimation of potential risk. For example, in the WestConnex M4 East EIS, the modelled in-tunnel concentration data were provided as maximum 1-hour average concentrations. However, the in-tunnel criteria which are used to judge the potential for health impacts are related to shorter averaging times. Comparing the two is inappropriate. In addition, the health assessment stated the ventilation system in the tunnel has been designed so as not to exceed the in-tunnel criteria. However for nitrogen oxide (NO<sub>2</sub>), it is clearly evident that the in-tunnel criteria would be exceeded, since there are instances where the modelled maximum 1- hour average already exceeds the 15-minute criteria chosen as the guideline.
- The health assessments rightly concluded there may be a health risk for people who travel through the tunnel. The advice for management of this risk to asthmatics is to keep windows up and air conditioning on recirculation. This management approach does not protect motorcyclists or people not travelling in fully enclosed vehicles. More importantly, the first point of exposure management should be improving the tunnel design and engineering controls to minimise exposure by reducing pollutant concentrations in the first place.
- An 'in-tunnel' worst-case exposure scenario that addresses ventilation decrease, or failure, was not been included.
- In relation to health impacts, various suburbs were combined and reported as one area without any explanation as to why this is the case – for example, Marrickville, Sydenham and Petersham in the EIS for the WestConnex New M5. St Peters is one of most impacted suburbs, but it was not separately assessed in this EIS with respect to health impacts, though it contains areas from the dispersion modelling with higher concentrations.
- Also missing from the health assessments is consideration of elicitation of an asthma response that does not necessarily require a visit to a hospital emergency department.

We are already seeing evidence that the project's EISs severely underestimated existing air pollution, the impacts of construction on air quality, and in turn the health impacts of exposure, from the data coming from the WestConnex project's own air quality monitors.

In the case of the Haberfield monitors, these have been established to meet Conditions of Approval for the WestConnex M4 East. The St Peters monitor was established to measure baseline air quality for the WestConnex New M5 EIS, but has continued to take measurements since. The monitors measure various pollutants, including particulate matter (PM10 and PM2.5) and nitrogen oxide (NO2).

Particulate matter is extremely small solid particles and liquid droplets suspended in air. PM10 is 10 micrometers or less in diameter, PM2.5 is 2.5 micrometers or less in diameter. There are also even smaller ultrafine particles not currently measured in Australia. As noted above, short or long exposure to PM can damage health.

The NSW Office of Environment and Heritage sets requirements for air quality in line with National Standards. These state that PM10 should not exceed an annual average of 25.0 µg/m<sup>3</sup> (micrograms per cubic meter). Average 24-hour levels must be no higher than 50 µg/m<sup>3</sup>.

Investigative journalist Professor Wendy Bacon and her colleagues have been analysing the data produced by the WestConnex's projects own monitors in Haberfield and St Peters, and her reports make for disturbing reading.

For example, in March 2018, Prof Bacon reported that pollution levels in Haberfield were already violating National Standards, even before the WestConnex M4 East tunnel opens. (See <http://www.wendybacon.com/2018/westconnex-m4-east-violates-national-pollution-standards-and-the-tunnel-hasnt-even-opened/>.)

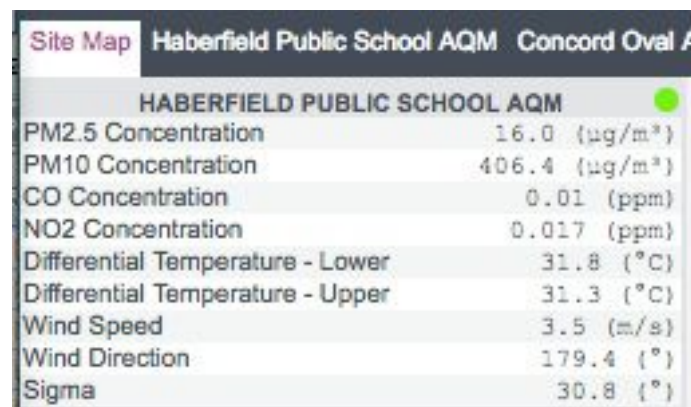
Prof Bacon has also reported a number of events that have seen these already high levels spike further as a result of WestConnex construction works. In April 2018, she reported that a dust storm the WestConnex construction site at Haberfield on Parramatta Road, where a portal is being constructed for the M4 East tunnel, saw levels of particulate matter rocket from 33 µg/m<sup>3</sup> (micrograms) to 403 µg/m<sup>3</sup> at 2.50pm – right as hundreds of children were getting ready to go home from

Haberfield Public School around 200m away. For two hours between 3 and 5.00 pm, the PM 10 averaged 157 µg/m<sup>3</sup>.

These high levels were recorded by a WestConnex air monitor situated next to the school's playground.

As Prof Bacon noted:

*"Duststorms have happened before on this and other WestConnex sites during nearly two years of construction at Haberfield, Homebush, Concord, and St Peters. I have seen and smelt them myself in 2017 at the massive WestConnex Stage 2 construction site near Sydney Park. This dust storm was different only because the impact on air quality was captured on a WestConnex air monitor that has been operating on the school grounds since December 2017."*



The screenshot shows a website interface for the Haberfield Public School AQM. At the top, there are tabs for 'Site Map', 'Haberfield Public School AQM', and 'Concord Oval A'. Below the tabs, the title 'HABERFIELD PUBLIC SCHOOL AQM' is displayed. A table lists various air quality metrics and their current values.

HABERFIELD PUBLIC SCHOOL AQM	
PM2.5 Concentration	16.0 (µg/m <sup>3</sup> )
PM10 Concentration	406.4 (µg/m <sup>3</sup> )
CO Concentration	0.01 (ppm)
NO2 Concentration	0.017 (ppm)
Differential Temperature - Lower	31.8 (°C)
Differential Temperature - Upper	31.3 (°C)
Wind Speed	3.5 (m/s)
Wind Direction	179.4 (°)
Sigma	30.8 (°)

Figure 2. Screenshot from Ecotech website, 3pm 9/4/2018.

The full report of this incident can be read at

<http://www.wendybacon.com/2018/haberfield-school-children-cop-westconnex-dust-storm/>.

I have also witnessed a number of these dust pollution incidents at WestConnex project sites, particularly in St Peters, and had residents report them to me. I find it particularly disturbing that many residents who live or work near WestConnex construction sites are reporting health impacts such as first-time diagnoses of asthma among children, worsening asthma or other respiratory symptoms, conjunctivitis and skin irritations since construction began. These are all consistent with exposure to airborne pollutants.

Yet despite years of such incidents being reported to the project's proponents as formal complaints, the issue continues. In fact, project representatives at the March 2018 M4 East Air Quality Community Consultative Committee misled community members about the impact of construction dust on PM readings.

- v. How much does construction activity contribute to readings?
- There is some impact of construction activities, in particular, increase in local traffic from trucks etc.
  - There is dust generated from construction. This should not impact on readings.
  - The monitoring sites have been located as far as is possible from construction activity.
  - Dust from construction is generally larger than PM10 which is the largest size of dust that is measured by the monitoring conducted for the project.

Figure 3. Excerpt from AQCCC March 2018 meeting minutes. Original:  
<https://westconnex.com.au/sites/default/files/18.03.06%20AQCCC%20Notes%20from%20Meeting%203%20FINAL.pdf>

***B(iii) The costs and benefits of filtration have never been assessed***

Air quality and the resulting health impacts for WestConnex have never been assessed with the inclusion of filtration, both in tunnel and in the pollution stacks. As a result, the potential benefit to human health of including filtration as part of the project, and the associated reduction in health costs to the state, has never been assessed.

In addition to providing potential physical and clinical benefits from reducing pollution exposure, there are psychological health benefits that should also be taken into consideration when evaluating the worth of installing pollution abatement measures in the stacks.

Furthermore, the Protection of the Environment Operations Act 1997 of NSW (1997) states that, amongst its objectives, are: "to protect, restore and enhance the quality of the environment in New South Wales, having regard to the need to maintain ecologically sustainable development", and "to reduce risks to human health and prevent the degradation of the environment by the use of mechanisms that promote the...making of progressive environmental improvements, including the reduction of pollution at source."

Omission of in-stack pollution reduction measures in the air quality and health considerations of the EISs for WestConnex is not consistent with the policy objectives of the Protection of the Environment Operations Act 1997 of NSW. It is not appropriate to use logic that relies on existing bad (and non-compliant) air quality, over-reliance on vehicle emission exhaust data, or other tactics relied in WestConnex's EISs to justify the project or not evaluating the inclusion of pollution abatement equipment, while choosing to misrepresent the costs and the potential benefits of such systems.

It has been noted by the NSW government, the Sydney Motorway Corporation and the RMS that experience with other tunnels in Sydney has not established a clear pattern of health impacts from the stacks. However, both the tunnels built in the aftermath of the M5 East (the Cross City Tunnel and the Lane Cove Tunnel) were relatively short and had significantly over-designed and over-sized ventilation systems. Both the Cross City and the Lane Cove tunnels have never had their ventilation systems 'stress tested' because their traffic volumes have never approached the design predictions. The M5 East tunnel is notorious for its in-tunnel conditions drawing adverse comment from multiple health authorities.

It is clear that the same cannot be said for the current tunnel designs, which envisage relatively low ventilation volumes (in proportion to length) when compared to others.

While the proponent has claimed that filtration for WestConnex is not needed because they will be designing stacks in line with "best practice", in reality, this is not the case. There are longer motorway tunnels overseas, but these are mostly in mountainous regions. And if they carry heavy traffic, they tend to either use transverse ventilation systems (as opposed to WestConnex's longitudinal ventilation systems, which rely on air coming in one end and being pushed out the other through the stack, with pollutants increasing in concentration throughout the tunnel until it reaches the exhaust point/stack), or have multiple stacks to reduce pollutant build-up along the length of the tunnel.

The Calle30 tunnel recently completed in Madrid is 40km long and carries up to 120000 vpd, however it has 30 ventilation stations (stacks), all of which are filtered.

Leightons, one of the main construction contractors for this project, has also claimed it is installing "a state-of-the-art air purification system (APS) and tunnel ventilation system (TVS)" in its current tunnel project in Hong Kong, the 3.5 km Central Wanchai

Bypass, claiming that *"Hong Kong's planners and our Leighton Asia JV have spared no effort to ensure the city's latest major road and tunnel project leaves residents breathing easy"*. If this system is good enough for Hong Kong and Madrid, then why is it not good enough for the residents of Sydney?

***B(iv) The cost of managing odour impacts has never been assessed***

Missing from any of the WestConnex EISs is a serious evaluation for odour impacts. Repeated, unwanted odour can have significant bearing on the health and amenity of communities, particularly if toxic substances are the cause.

I saw firsthand the impact of this failure to assess odour issues with the major breaches that occurred in relation to odour emissions at the St Peters Interchange construction site in 2017.

On 28 March 2017, the Environmental Protection Authority (EPA) issued a Prevention Notice to order the WestConnex New M5 construction joint venture, CPB Contractors, to stop strong sulphurous smells emanating from the old Alexandria landfill site. This followed two weeks of complaints from residents from the surrounding suburbs about the very strong odours from the site, and the issue being raised by Newtown MP Jenny Leong with the WestConnex Minister Stuart Ayers in Parliament.

The EPA Prevention Notice read as follows:

*DIRECTION TO TAKE PREVENTIVE ACTION*

*The EPA directs the licensee to undertake the following action:*

- 1. On or before the 31<sup>st</sup> March 2017, the licensee must take appropriate action to prevent the emission of offensive odours from the boundary of the premises;*
- 2. On or before the 31<sup>st</sup> March 2017, implement a leachate management program to remove leachate from all open air areas at the premises;*
- 3. On or before the 31<sup>st</sup> March 2017, implement a stockpile management program to control the generation of offensive odours from excavated material at the premises*
- 4. The actions required under paragraphs "a", "b" and "c" are to be maintained until the project is complete or all disturbed areas are sufficiently stabilised to result in no offensive odours emitted beyond the boundary of the premises.*

<http://www.epa.nsw.gov.au/prpoeoapp/ViewPOEONotice.aspx?DOCID=-1&SYSUID=1&LICID=1550650>

A story published in the Sydney Morning Herald on 29 March 2017 featured interviews with several St Peters residents, who described the impact this odour had had on them and their families:

*Emma Pierce, who lives about 500 metres from the construction site, said the smell "comes and goes" but at times had become so unbearable it had left her and her young family, feeling nauseous.*

*"It is an absolutely repulsive smell. Really rotten egg, but so bad at times you feel like you might vomit," she said.*

*Sarah Aubrey, who lives 300 metres from the site, said locals had become "prisoners in our homes" as they closed the windows and doors in a bid to escape the stench.*

*"I literally had to leave the suburb yesterday to go somewhere where the air is clean. We've been woken up in the middle of the night because the smell has been so bad."*

*...Ms Pierce, whose two children attend nearby St Peters Public School, said parents were concerned their children attending the school were unable to escape the smell during the day.*

*"The smell was so bad all the children were blocking their noses as they walked into the school. That's when we really thought, oh gosh, this is starting to affect little kids."*

Full story: <https://www.smh.com.au/national/nsw/contractors-ordered-to-fix-rotten-egg-smell-at-westconnex-site-after-st-peters-residents-complain-20170329-gv8w5s.html>

Despite the Prevention Notice, there continued to be severe outbursts of the odour lasting for days at a time with residents from as far as Green Square, Tempe, Newtown, Erskineville and Alexandria complaining of rotten egg, burnt rubber, and/or chemical smells that required them to seal their homes up, or leave the area

completely. Residents have also complained of headaches, nausea, and being unable to sleep due to the severity of the odours. St Peters Public School is only 500m from the site.



*Figure 4. Pools of water forming on the St Peters Interchange site at the corner of Campbell and Burrows Rds during the odour incident.*

In addition, growing piles of waste had been dumped by the SMC's contractors at the perimeter of the site, which were clearly visible from Canal Rd. WAG was assured at the time by EPA that these piles were safe. However, WAG has received advice that SMC is in breach of NSW EPA guidelines by leaving these piles of waste uncovered.

When I called the WestConnex New M5 hotline to complain about these stockpiles and ask why they were being left exposed, I was told it was the beginning of the raised area that would be built as part of the 'green space' around the interchange roads.



*Figure 5. Stockpiles of waste within the Alexandria Landfill at Canal Rd, mid-2017.*



*Figure 6. Stockpiles of waste within the Alexandria Landfill at Canal Rd, mid-2017.*

CPB Contractors claimed in their communications with residents to have implemented odour mitigation and masking measures, but these were clearly ineffective. Further, they stated in their correspondence with WAG that they expected to continue to uncover pockets of odour-causing leachate during the site excavation until the site was fully capped in early 2018.

In a June 2017 Fact Sheet distributed to residents, WestConnex contractors advised residents to stay indoors and close their windows and doors during odour incidents, with an additional warning for people with existing respiratory conditions:

*People can reduce their exposure through staying indoors, with doors and windows shut, when odours are experienced.*

*At higher levels of hydrogen sulphide, people with pre-existing respiratory conditions may experience worsening of their symptoms.*

*Although these levels of hydrogen sulphide may not be occurring at the site, it is important that people with asthma should follow their asthma action plan, ensure they have their medication available and seek medical advice if their symptoms are not controlled.*

<https://www.westconnex.com.au/sites/default/files/New%20M5%20Closure%20of%20the%20Alexandria%20Landfill%20Fact%20Sheet%20-%20June%202017.pdf>

Symptoms reported by residents on social media, to WAG, and in the mainstream media at the time showed that such health impacts were not restricted to those with "pre-existing respiratory conditions".

A story published in the Sydney Morning Herald on 18 June 2017 by Jacob Saulwick on this issue summarises the key problems. It can be viewed at <https://www.smh.com.au/national/nsw/westconnex-works-stench-landfill-odour-forces-pupils-and-local-residents-inside-20170616-gws9nu.html>, but for ease of reference, I have reproduced the text in full below:

### ***WestConnex works stench: Landfill odour forces pupils and local residents inside***

*Primary schoolchildren near the proposed WestConnex interchange at St Peters have been prevented from playing outside because of the power of the rotten egg smell that has repeatedly overwhelmed their neighbourhood.*

*Contractors working to turn a former tip into a vast motorway interchange have repeatedly stirred up odours so powerful the Sydney Motorway Corporation has advised nearby residents to stay inside with the windows shut.*

*And at the St Peters Primary School, two blocks from the construction site, teachers have twice kept children inside rather than letting them out for meals and play.*

*"On the strong odour days I no longer send my daughter to school," said Sarina Kilham, whose five-year-old daughter attends St Peters Primary.*

*"I keep her home and we leave the suburb," said Ms Kilham. "A five-year-old shouldn't be sitting at a desk all day."*

*Despite the Environment Protection Authority issuing a prevention notice to the contractors in March, the incidence of smells has not gone away.*

*Charlie Pierce, an experienced waste management consultant who wrote the first version of the NSW landfill guidelines, said the odour seemed to be caused by both uncovered or poorly covered putrescible waste, and exposed leachate – water that had passed through waste.*

*"It's being irresponsibly managed," said Mr Pierce, who lives in nearby Newtown and who has volunteered for the WestCONnex Action Group.*

*"There's engineering controls they could put in place," Mr Pierce said.*

*"It's obvious they're working against time and they are cutting corners," he said. "That's how these things happen," he said.*

*The EPA's March prevention notice required SMC's contractor, CPB Contractors, to "undertake all reasonable and feasible measures to prevent leachate from pooling and to cover or remove pooled leachate as soon as practicable."*

*A spokeswoman for SMC said the contractor was expected to spend between \$1.5 million and \$2.5 million on the mitigation measures.*

*But SMC also suggests the issue could linger for some time. The remediation work is not expected to be finished until the first three months of next year, though SMC says regular monitoring shows gas levels at the site "do not pose a risk to human health or the environment".*

*A spokeswoman for the WestCONnex Action Group, Pauline Lockie, said the project was "having a hugely detrimental effect" on St Peters and surrounding suburbs, "but the authorities we rely on to police this such as the EPA and the Planning Department don't seem to have proper powers to intervene."*

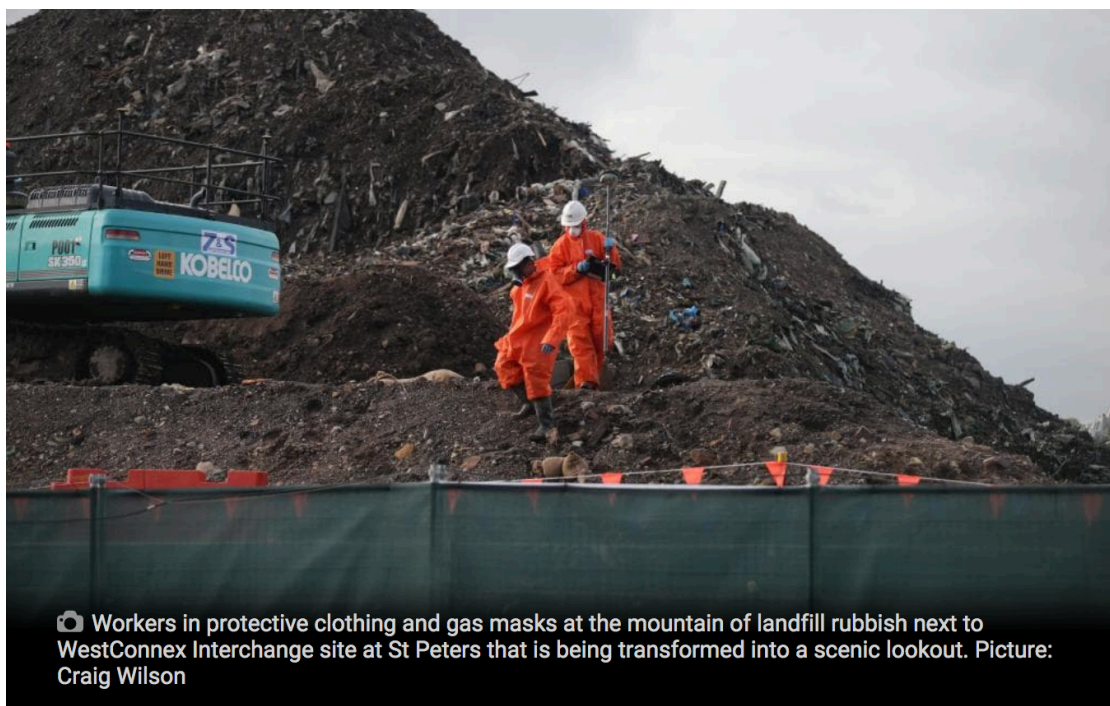
*"Everything that's happening now is the entirely predictable consequence of trying to build a major motorway interchange out of a toxic landfill that hasn't been properly cleaned up," she said.*

*The chief executive of the Sydney Motorway Corporation, Dennis Cliche, last month told a parliamentary committee that his organisation had "completed the remediation of the heavily contaminated tip site ... ahead of time and on budget."*

*But a spokeswoman this week said Mr Cliche was "referring to the clean-up works undertaken" at the site prior to the start of "formal remediation work".*

The assertion made by the SMC spokesperson in the above article that the odours "do not pose a risk to human health or the environment" is obviously at odds with residents' experiences. It also raises questions about why employees on the site were photographed by the *Inner West Courier* wearing full protective gear when working on the mounds of refuse in June 2017. (Full story:

<https://www.dailytelegraph.com.au/newslocal/inner-west/a-heap-of-garbage-from-an-old-contaminated-dump-set-to-become-scenic-westconnex-lookout/news-story/541570da7ccb32a773c586c0ff2685ab>)



Workers in protective clothing and gas masks at the mountain of landfill rubbish next to WestConnex Interchange site at St Peters that is being transformed into a scenic lookout. Picture: Craig Wilson

Figure 7. Picture from the *Inner West Courier*.

I heard many distressing stories from residents like Ms Pierce, Ms Aubrey and Ms Kilham during this time. But perhaps the most disturbing came from Bec Waters, who was subsequently interviewed by *The Guardian* for a story published on 8 July 2017:

### ***WestConnex: the stink of controversy that fails to go away***

*It's a smell so putrid that it catches in the back of your throat.*

*Wafts of sulphur and rotten egg emanate from an old rubbish dump in Sydney's inner-western suburb of Alexandria, disturbed after decades to make way for WestConnex, Australia's biggest infrastructure project.*

*For some, the smell is a frustration – but a bearable one. Not for 11-year-old Felix Freeman and his mother, Bec Waters, who live in the neighbouring suburb of St Peters.*

*Felix has a genetic disorder, Klinefelter syndrome, and is on the autism spectrum, meaning he struggles to deal with sensory overload. The stench – along with an unwelcome night-time accompaniment of jackhammers and concrete saws – sends him into meltdown.*

*“The constant noise, the constant smell – it actually is having such an impact,” Waters said. “He will literally throw himself on the floor and have a tantrum because to him this is an overwhelming sensory impact. He doesn’t have the cognitive ability to say this will go away in a day or so. He’s trapped in his own mind.”*

*... While the political battle over WestConnex rages on, Waters is left to deal with the noise, the smell and Felix’s regular meltdowns.*

*The government has helped the family, albeit, Waters says, reluctantly. They were put up for one night away from their home during the worst of the noise. The government, she said, had previously told her she wasn’t considered to be in the disruptive path of the project.*

*Felix often asks his mother why they can’t just move.*

*“I can’t,” Waters said. “I would actually move if I could, even though that gives me the shits, because I feel like I’m caving in.*

*“But I share custody of my children, I need to stay reasonably local. My son’s team of doctors and support services are here.”*

*... “We’re being told it’s nothing, it’s not going to affect your health, it’s just unpleasant,” Waters said. “How do they know? They don’t even know what’s in there.”*

Full story: <https://www.theguardian.com/australia-news/2017/jul/08/westconnex-the-stink-of-controversy-that-fails-to-go-away>

WestCONnex Action Group (WAG) filed numerous formal complaints with WestConnex and EPA during this time, as did hundreds of residents. The response from the project proponents and regulatory authorities was poor, to say the least.

EPA did follow up, but were far too slow to act. For some time, EPA responses to continued breaches of the Prevention Notice were largely procedural, and focused on mediation and odour minimisation, not prevention. This is despite the fact that EPA reps confirmed to *Inner West Courier* that the maximum court imposed penalty for a corporation that does not comply with a prevention notice is \$1 million, and a corporation breaching a prevention order can be issued with a on the spot \$15,000 fine.

It was not until June 2017 that the EPA issued an official Clean Up notice to the contractors, and required them to lower the level of leachate in the area of excavation works before further works are undertaken. The project had to stop works at the site in order for this to be done. In May 2018, the EPA announced it had commenced prosecution proceedings in the Land and Environment Court against CPB Contractors Pty Ltd for allegedly causing offensive odours from the WestConnex St Peters M5 Interchange site on four occasions in 2017 (27 April, 23 May, 26 May and 9 June).

These latter actions are of course welcomed. But why did it take so long for the Clean Up Notice to be issued, and works stopped, given the EPA was well aware of the impact these odour pollution breaches were having on residents?

The DPE's compliance team also investigated this issue, but did not, as far as I am aware, issue any penalties or orders. I was told by residents who spoke to Kirsty Ruddock, who was the DPE's Director of Compliance, that she had advised them that because WestConnex is a Critical SSI project, the DPE has limited enforcement and no "stop work" powers.

These residents were told by Ms Ruddock that because of this, the Department only has powers to seek to obtain compliance with the condition of the planning approval, or to declare a breach of those conditions.

As I told the *Herald* in the story above, all of these impacts were entirely foreseeable. Yet no provision appears to have been made in the project's budget to plan for or manage them. And once again, it was residents who paid the highest price.

***B(v) The cost of properly managing noise impacts has not been assessed, and appears not to be properly financed within the project's budget***

Residents in St Peters, Haberfield and Ashfield have been enduring unacceptable noise impacts from ongoing works for the WestConnex tollway since construction began. This is causing great distress and disturbance for residents, many being families with young children and for older residents with health considerations.

These impacts have been compounded by night works, which have left many residents enduring near-constant noise both day and night.

There have been many examples of this, but one that I raised as part of a motion I put to Inner West Council in November 2017 provides a typical example. In that month, residents in St Peters were informed that night works were to take place on Princes Highway north of Campbell Street, 7pm to 5am, every weeknight between Monday 6 November to Friday 17 November, except for the Tuesday and Thursday nights in this two-week period.

Residents were also informed that night works would take place on May St at the other end of Campbell St, less than 500m away:

- 7pm Friday 10 November to 5am Monday 13 November
- 7pm Friday 17 November to 5am Monday 20 November
- 7pm Friday 24 November to 5am Monday 27 November

A copy of the relevant notification from the SMC appears below.

# PAULINE LOCKIE

## INNER WEST INDEPENDENT

----- Forwarded message -----

From: "New M5 Community Relations Team" <[info@newm5.com.au](mailto:info@newm5.com.au)>  
Date: 3 Nov. 2017 5:06 pm  
Subject: Weekly update Friday 3 November – Campbell Street west of Princes Highway  
To:  
Cc:

Good afternoon all

Please find details below for work on Campbell Street from May Street to the Prince Highway and adjacent streets over the coming week.

#### Upcoming work:

##### **Saturday 4 November between 7am and 6pm**

A temporary weekend road closure will be in place on **Saturday 4 November** from 7am to 6pm for vehicles travelling between the Princes Highway and Campbell Street west.

You will not be able to enter Campbell Street west from the Princes Highway on Saturday 4 November between 7am and 6pm. Local access to Campbell Street west of the Princes Highway for residents and businesses will be via May Street, Bedwin Road and Unwins Bridge Road during this time. Traffic control will be in place at this intersection and will maintain local access.

##### **Monday 6 November to Friday 17 November between 7pm and 5am (6 night work shifts)**

Weekday night work will take place for the installation and relocation of utilities on Princes Highway north of Campbell Street over 6 night shifts between **Monday 6 November and Friday 17 November**.

Campbell Street west, adjacent to the work zone, will be reduced to one lane with traffic controls in place. Traffic in both directions will be maintained.

Night work will take place from 7pm to 5am on the following days:

- Monday 6 November
- Wednesday 8 November
- Friday 10 November
- Monday 13 November
- Wednesday 15 November
- Friday 17 November

##### **Friday 10 November to Monday 13 November – May Street first weekend of northbound road closure**

Work will take place on May Street for up to 3 weekends to install new drainage pipes and electrical conduits. Trees clearing will also take place during this time.

Traffic changes and a road closure are necessary to facilitate this work.

#### **Timing and work hours**

Road closures will be in place on May Street for up to 3 weekends between Friday 7pm and Monday 5am. There will be 3 night shifts and 2 day shifts of work associated with each weekend road closure. In the event work cannot be completed over the two weekends, a third weekend of work will be required. This work will be conducted over the weekend when traffic volumes are lower for the safety for workers, motorists, cyclists and pedestrians.

#### **Weekend road closure dates**

7pm Friday 10 November to 5am Monday 13 November  
7pm Friday 17 November to 5am Monday 20 November  
7pm Friday 24 November to 5am Monday 27 November as a contingency

Please find a copy of the relevant community notifications attached

#### Please note:

All work is weather permitting.

For further information please call the community information number on 1800 660 248 and ask to speak to a member of the New M5 community relations team or email [info@newm5.com.au](mailto:info@newm5.com.au)

Have a lovely weekend

Kind regards,

Sarah

*Figure 8. Notification of night works in St Peters, November 2017.*

The area between these two sites in St Peters is completely residential. Residents living near or between them had to deal with huge amounts of noise and floodlights for most nights during these weeks. A number of residents reported being able to hear noise coming from both construction sites at the same time, doubling the noise impact.

In Haberfield and Ashfield, residents now receive blanket notifications alerting them to months of WestConnex day and night works in a broad area. More specific notifications of night works are sometimes received, but only if residents have subscribed to the WestConnex email list.

## PAULINE LOCKIE

### INNER WEST INDEPENDENT

It should go without saying that is not acceptable for residents to face weeks of ongoing day and night construction noise with little respite. But the cost of constructing WestConnex without requiring so many periods of night noise, or offering proper mitigation measures to residents who are most impacted by this noise, appears not to have been allowed for in the project's vast budget. Instead, residents are offered earplugs, with only some being offered noise-cancelling headphones or alternative accommodation, usually at the project's discretion.



Figure 9. Earplugs offered to residents in St Peters.

After receiving many complaints about noise impacts from residents, I met with representatives of the WestConnex New M5 team in August 2018 to discuss mitigation measures. A representative of the WestConnex Action Group and Inner West Council's WestConnex Unit were also present in this meeting.

I put it to the project representatives during this meeting that the works in St Peters were clearly having an unacceptable impact on residents, and they should be offered

their choice of mitigation. This would be consistent with what residents in Euston Road in Alexandria have been offered by the project, where they have been offered their choice of alternative accommodation options, or earplugs or noise-cancelling headphones plus shopping vouchers.

The spokesperson for the WestConnex New M5 claimed the residents of Euston Road had been offered this treatment because they were to be subjected to around 90 nights of noisy works over the course of the project. (I would be shocked if there had not been at least 90 nights of noise works in St Peters.)

She explained that it was not possible for the project to offer all impacted residents in St Peters alternative accommodation or even noise-cancelling headphones, but offered conflicting answers in relation to whether this was due to cost factors.

She did state that alternative accommodation would be offered in some circumstances – e.g. if babies were involved, or if residents were in distress. However, she did not explain how the project determined if residents were in distress, and I also put it to her that people should not have to reach an extreme state of emotional or psychological distress in order to qualify for humane treatment.

At one point it was clear that the project proponents were concerned about how it would appear publicly if they suddenly began offering residents in St Peters a choice of adequate noise mitigation options after denying these to people for so long.

Given these circumstances, it is hardly surprising that residents are also suffering “complaint fatigue”. There is only so many times residents can make the same complaint, over and over, only to see the project fail to address their issue. I have had residents tell me they’ve stopped complaining, not because the problems have gone away, but because they’re sick of taking the time to make calls, send emails, collect photographic and video evidence, etc, and have their complaints ignored.

It is also painfully apparent that the conditions of approval set down by the Department of Planning and Environment pertaining to night works are far too lax, as even when the proponent is fully compliant with the conditions, the impact on residents is so profound as to be unacceptable.

Compounding these issues is the fact that residents living near WestConnex construction sites are still being denied proper soundproofing measures, despite this

being part of the tollway projects' conditions of approval. Some have been fighting for proper noise mitigation for months, if not years.

As part of the conditions of approval for the WestConnex project, the NSW government (through its project contractors) is required to offer noise mitigation measures to residents who are or will be impacted by WestConnex construction and operational noise.

In practice, however, the manner in which this has been implemented has been inconsistent, and in many cases, substandard. This brings into serious question the ability and commitment of Government and regulators to protect communities from the huge and continuing effects of very high impact projects like WestConnex.

I have been approached by a number of residents who have reported that the noise mitigation measures they have been offered will not be enough to properly soundproof their homes against construction or operational noise.

For example, one of my former neighbours in St Peters, \_\_\_\_\_, has been offered full soundproofing on around half her house, but denied it on rooms such as her daughter's bedroom. Her daughter is about to enter her senior years of high school, and her bedroom doubles as her study.

\_\_\_\_\_ 's home was originally identified in the New M5 Environmental Impact Statement (EIS) as being eligible for full soundproofing ("Type 2"). Her neighbour directly across the road has, appropriately, had full soundproofing measures installed. To add insult to injury, an empty home three doors away from \_\_\_\_\_, which has been uninhabited for nearly three years since being acquired by the RMS, has also had full soundproofing measures installed.

\_\_\_\_\_ has been in negotiations with the Sydney Motorway Corporation, the NSW government, and WestConnex contractors for months with no success. The response she received from the Parliamentary Secretary for Transport and Infrastructure is indicative of the manner with which her concerns have been dismissed.



**Mark Coure MP**  
Parliamentary Secretary for Transport and Infrastructure  
Member for Oatley

Our Ref: 00585817

Dear

Thank you for your correspondence to the Minister for Planning, which was referred to the Minister for WestConnex, about abatement treatment for your property. The Minister asked me to respond on his behalf.

I note your comments and thank you for taking the time to write. I asked Roads and Maritime Services to advise me on this matter.

I understand the New M5 project's Noise and Vibration technical working paper, contained within the project's Environmental Impact Statement (EIS), identified your property as eligible for consideration of architectural treatment Type 2. However, the EIS also indicated final treatments provided would be subject to confirmation during the project's detailed design period.

As per the Minister's Condition of Approval (E37), an Operational Noise and Vibration Report was prepared to confirm abatement measures to be provided in accordance with NSW Road Noise Policy. As you are aware, the report identified certain facades at your property requiring such treatment. These included the north-west, part of the north-east, and south-east facades.

I am advised the majority of the north-east facade is not eligible for treatment as the adjacent property provides a suitable barrier to mitigate noise. As such, this facade does not exceed the limits outlined in Roads and Maritime's Noise Criteria Guideline. I am further advised a revised scope of works offering Type 2 treatment for the eligible facades will be sent to you in the coming weeks.

For more information about WestConnex, please call the toll-free information line on 1800 660 248, or visit [www.westconnex.com.au](http://www.westconnex.com.au) and register for email updates. I trust this has been of assistance.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Mark Coure'.

25/7/2018

**Mark Coure MP**  
Parliamentary Secretary for Transport and Infrastructure

GPO Box 5341, SYDNEY NSW 2001  
Phone: (02) 8574 6500 Fax: (02) 9339 5522 [www.nsw.gov.au/ministerayres](http://www.nsw.gov.au/ministerayres)

Figure 10. Letter from Mark Coure MP to

Other residents have been told they are not eligible for soundproofing at all, despite having WestConnex construction happening outside their homes. For example, of Haberfield currently has night construction works happening outside his bedroom window. Yet he's been informed by the NSW Government that WestConnex's noise assessment shows his property isn't eligible for noise mitigation measures. Instead, he was offered earplugs.

Like , the response received from the Parliamentary Secretary for Transport and Infrastructure indicates how his concerns have been dismissed.



**Mark Coure MP**  
Parliamentary Secretary for Transport and Infrastructure  
Member for Oatley

Our Ref: 00604626

Dear

Thank you for your correspondence to the Premier, which was referred to the Minister for WestConnex, about WestConnex works being carried out near your property. I note you also wrote directly to the Minister who has asked me to respond on his behalf. I trust you will accept this as a response to both approaches.

I note your comments and thank you for taking the time to write. I asked Roads and Maritime Services to advise me on this matter.

I am advised Sydney Motorway Corporation (SMC) completed the New M4 project's Operational Noise and Vibration Review. Modelling for the review was carried out by sound engineers Renzo Tonin and Associates.

The review identifies properties eligible for noise abatement treatment. I appreciate your concerns, however your property was not identified as requiring these measures.

I understand the review is with the NSW Department of Planning and Environment for its approval. The details will be released following this approval.

For more information about WestConnex, please call the toll-free information line on 1800 660 248, or visit [www.westconnex.com.au](http://www.westconnex.com.au) and register for email updates. I trust this has been of assistance.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Mark Coure'.

25/7/2018

**Mark Coure MP**  
Parliamentary Secretary for Transport and Infrastructure

GPO Box 5341, SYDNEY NSW 2001  
Phone: (02) 8574 6500 Fax: (02) 9339 5522 [www.nsw.gov.au/ministerayres](http://www.nsw.gov.au/ministerayres)

Figure 11. Letter from Mark Coure MP to

I have moved various motions at Inner West Council for us to offer more support to residents on this issue, all of which passed, often unanimously. But it should not fall to local Councils to have to manage these impacts for residents, given WestConnex is a state government project.

In regards to residents in St Peters, the WestConnex New M5 Construction Noise and Vibration Plan ("the Plan") lists properties eligible for "operational noise treatment" (defined in the plan as "areas where receivers would be subject to construction noise impacts"), along with the level of noise treatment they are eligible for.

Treatment type	Level of reduction	Description of treatment
Treatment 1B Mechanical ventilation, sealing of wall vents and upgraded seals for windows and doors	5-10dB(A) reduction	<p>Where external noise levels are less than 10dB(A) above the external assessment criteria, the internal noise goals may be achieved with windows closed and wall vents are sealed. Special acoustic grade seals may also need to be installed on windows and perimeter doors exposed to noise to enable the internal noise criteria to be achieved with windows and doors shut.</p> <p>If the internal noise goals can only be achieved with windows closed, then mechanical ventilation should be considered to ensure fresh airflow inside the dwelling so to meet the requirements of the Building Code of Australia.</p>
Treatment 2 Upgraded seals for windows and doors	> 10 dB(A) reduction	<p>Where the predicted external noise level exceeds the external assessment criteria by significantly more than 10dB(A), then upgraded windows and glazing and the provision of solid core doors would be required on the facades exposed to the noise, in addition to the mechanical ventilation, sealing of wall vents and acoustic seals for windows and doors described in Treatments 1A and 1B. Note that these upgrades are only suitable for masonry type buildings. It is unlikely that this degree of upgrade would provide significant benefits to light framed structures should there be no acoustic insulation in the walls.</p>

Figure 12. Definitions of at-property noise mitigation measures as outlined in the Plan.

REVISED FORM & ASSOCIATES

6 OCTOBER 2019

NCA	Address	BIS Outcomes		Construction design outcomes					
		Identified for operational noise treatment?	Treatment type	Exceeds HMF 3rd Hours	ORFW	Source of construction noise	Date for treatment to be installed	Treatment type (TBC)	Condition (DB satisfied)
NCA06		No	Type 1	No	TBC	Local roadworks	TBD	Type 1	Report to Secretary
NCA06		Yes	Type 1	Yes	TBC	Local roadworks	TBD	Type 1	Report to Secretary
NCA06		Yes	Type 1	Yes	TBC	Local roadworks	TBD	Type 1	Report to Secretary
NCA06		No	Type 1	No	TBC	Local roadworks	TBD	Type 1	Report to Secretary
NCA06		No	Type 1	No	TBC	Local roadworks	TBD	Type 1	Report to Secretary
NCA06		Yes	Type 1	Yes	TBC	Local roadworks	TBD	Type 1	Report to Secretary
NCA06		Yes	Type 1	Yes	TBC	Local roadworks	TBD	Type 1	Report to Secretary
NCA06		No	Type 1	No	TBC	Local roadworks	TBD	Type 1	Report to Secretary
NCA06		No	Type 2	No	TBC	Local roadworks	TBD	Type 2	Report to Secretary
NCA06		Yes	Type 2	Yes	TBC	Local roadworks	TBD	Type 2	Report to Secretary
NCA06		Yes	Type 2	Yes	TBC	Local roadworks	TBD	Type 2	Report to Secretary
NCA06		No	Type 2	No	TBC	Local roadworks	TBD	Type 2	Report to Secretary
NCA06		Yes	Type 2	Yes	TBC	Local roadworks	TBD	Type 2	Report to Secretary
NCA06		Yes	Type 1	Yes	TBC	Local roadworks	TBD	Type 1	Report to Secretary
NCA06		No	Type 2	No	TBC	Local roadworks	TBD	Type 2	Report to Secretary
NCA06		Yes	Type 1	Yes	TBC	Local roadworks	TBD	Type 1	Report to Secretary
NCA06		Yes	Type 1	Yes	TBC	Local roadworks	TBD	Type 1	Report to Secretary
NCA06		No	Type 1	No	TBC	Local roadworks	TBD	Type 1	Report to Secretary
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NCA06		Yes	Type 1	Yes	TBC	Local roadworks	TBD	Type 1	Report to Secretary
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NCA06		No	Type 1	No	TBC	Local roadworks	TBD	Type 1	Report to Secretary
NCA06		Yes	Type 1	Yes	TBC	Local roadworks	TBD	Type 1	Report to Secretary
NCA06		Yes	Type 2	Yes	TBC	Local roadworks	TBD	Type 2	Report to Secretary
NCA06		Yes	Type 2	Yes	TBC	Local roadworks	TBD	Type 2	Report to Secretary
NCA06		Yes	Type 2	Yes	TBC	Local roadworks	TBD	Type 2	Report to Secretary
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NCA06		Yes	Type 2	Yes	TBC	Local roadworks	TBD	Type 2	Report to Secretary
NCA06		Yes	Type 1	Yes	TBC	Local roadworks	TBD	Type 1	Report to Secretary
NCA06		No	Type 1	No	TBC	Local roadworks	TBD	Type 1	Report to Secretary
NCA06		Yes	Type 1	Yes	TBC	Local roadworks	TBD	Type 1	Report to Secretary
NCA06		Yes	Type 1	Yes	TBC	Local roadworks	TBD	Type 1	Report to Secretary

Figure 13. Sample from the Plan of properties eligible for at-home noise mitigation.

Despite this, a number of residents in St Peters have not received any noise abatement treatment to their properties to deal with construction noise. A number of residents have also been informed that even though their properties were identified in the Plan as being eligible for Type 2 treatment, they will now only receive Type 1 treatment.

As noted in the letter from Mr Coure to \_\_\_\_\_, and confirmed in my discussions with DPE compliance officials, the treatment types identified in the Plan were subject to confirmation at detailed design phase as specified in the project's EIS. This again stands as an indictment of both the project and the Department of Planning and Environment and the Minister for Planning for approving it, as it is painfully clear this process is failing residents.

By not providing proper at-home noise mitigation treatment to people who are most impacted by WestConnex's construction and operation, the project is sentencing these families to years of unacceptable, 24/7 noise impacts. The distress this is causing residents is unacceptable, particularly given the minimal (to the project) cost of properly addressing these issues.

----- Forwarded message -----

From: \_\_\_\_\_  
Date: Sat, 11 Aug 2018 at 7:51 am  
Subject: Constant work noise keeping my family awake  
To: Environment Line <[info@environment.nsw.gov.au](mailto:info@environment.nsw.gov.au)>, Halliday, Martha

rob sherry

To whom it may concern,

Last night my family and I were all kept awake by the road cutting saws on Inwins Bridge Road and Bedwin. The noise was constant, loud and completely unbearable. I have my family ear plugs which were previously supplied by Westconnex. They did not work. My daughter continued to be kept awake and we were still awake by the time I had to take her to a netball competition at the Narrabeen Sports Centre today. This is completely unacceptable.. My daughter has to play representative netball this morning from 8am and she has had barely any sleep. I am also attempting to do a Masters paper that is due on Monday on Evidence based practices in Education. The constant noise is impacting on my life and the life of my children. I cannot function nor can my children. This morning when I left my home at 6.15 I resorted to yelling at your workers for keeping me awake. I then in turn had a break down and yelled at my family. Do you realise the human impact you are having on our lives through this torture? My family is falling apart. Other homes are now fully noise insulated and you have not made any attempt to abate my home appropriately. My daughter is suffering because she cannot sleep and study effectively in her room. I will fail my Masters and have to pay back the \$20,000 scholarship I was awarded to study it. This constant battle with Westconnex is making me crazy. I am overwhelmed with everything. The dust, noise, the battle to have my home fitted with the type 2 abatement. I am losing it. I am the human impact of this project that serves no purposes. I am now experiencing severe mental health issues and Westconnex is to blame. I will forward you my my mental health care plan so you can see what you have created. Fix it.

Figure 14. Email sent by \_\_\_\_\_ to WestConnex, the EPA and DPE, August 2018.

***B(v) The cost of repairing damage caused to property by WestConnex construction are unknown, and appear not to be properly financed within the project's budget***

The Updated Strategic Business Case and the EISs for the various stages of the WestConnex project did not contain any detailed costings associated with repairing damage caused to properties by WestConnex construction. This is despite the fact that the cost associated with such works could be substantial, given the amount of

tunnelling and surface works involved, and the fact that much of this will take place near or under homes and other buildings that are a century or more old, and in relatively dense neighbourhoods.

The experience of residents who have made claims for property damage caused by WestConnex construction to the project's proponents appears to indicate that the project has failed to adequately budget for these costs.

I am personally aware of residents in Strathfield, Haberfield/Ashfield, St Peters and Beverly Hills who have reported damage they have strong reason to believe is directly caused by WestConnex construction, whether through tunnelling or surface works. In every case I am aware of bar one, the project's contractors have denied responsibility for the damage, and are refusing to cover the costs.

**C. Consideration of the governance and structure of the WestConnex project including the relationship between the SMC, the RMS, the Treasury and its shareholding Ministers**

A lack of transparency, proper process and good governance has characterised the WestConnex project since its inception, and has grown progressively worse as the project has proceeded.

***C(i) Lack of independent oversight and transparency***

There has also been an almost complete lack of independent oversight of the WestConnex project as a whole. The decision made by the NSW government to dissolve the WestConnex Delivery Authority (WDA) and move its functions into the private corporation Sydney Motorway Corporation (SMC) made the planning processes even less transparent, as the SMC refuses to release contract details or respond to freedom of information requests.

It is also disturbing that this merger follows reports of internal problems with the governance of WestConnex, including conflict over the control of the planning processes. It is also unacceptable that public money has been used to establish a private company, with two ministerial shareholders, so that the corporation does not have to be publicly accountable.

These flaws are all the more serious given the Federal and NSW governments have called WestConnex the largest road infrastructure project in Australia's history. For such a major piece of infrastructure it has had a relatively short period of review. It appears to have been 'fast-tracked' to bypass important evaluation steps aimed at providing assurance to government and the taxpayers that the project is the best solution.

This failure to employ best practice governance from project inception has greatly reduced community confidence in WestConnex. A project of this size and impact should be subject to independent reviews and scrutiny, and be free from internal conflicts of interest that compromise its integrity.

Even before this changeover occurred, very little information about NSW government contracts for WestConnex were made available to the public.

Notices for contracts worth more than \$150,000 are published on the NSW Government eTendering website, but are removed soon after a contract expires. This is in stark contrast to the Federal register, where historic contracts remain available. The NSW system makes it more difficult for the public to track the development process, or to be assured that the process by which these contracts have been awarded is free from corruption or conflicts of interest.

The whole idea that such a massive project could be taken outside the normal rules of basic government accountability is shocking and demands its own investigation.

This issue was one that I took up directly with the then-Premier Mike Baird when I met with him in December 2016. Baird said during that meeting that he wanted to make a point about WestConnex and transparency, an issue he said had been used politically. He then proceeded to explain why he decided to privatise the SMC, thus making it immune from freedom of information requests, any requirement to disclose its contracts publicly, and more.

In short, he claimed it was to bring private debt on board, and that this wouldn't have happened if the SMC was subject to the same transparency requirements as any public body. He also said that making the SMC private was necessary as it means his government can borrow while protecting NSW's AAA credit rating. I found this surprising, for a number of reasons.

Knowing a project is government-backed usually makes institutions more inclined to loan, as the state guarantees the debt. Because the NSW government isn't guaranteeing the loans made to SMC, banks and private equity firms are effectively being asked to loan money to a private company with no history, whose only product is an unbuilt tollway that many predict will fail.

The claim that SMC was privatised to protect NSW's credit rating is also strange. Interest rates are at record lows, and state debt isn't high. Borrowing to fund infrastructure shouldn't create too many issues in this context – unless, of course, the infrastructure is at risk of not being able to repay the debt. In which case, the claim that privatising the SMC was needed to keep its debt off the state ledger should raise alarm bells, not quiet them.

***C(ii). Community consultation and planning processes for the project were rushed and cursory in nature***

Other projects less complex and impactful than the various stages of WestConnex have been allocated considerably more time when it comes to the environmental impact assessment process. Compounding this was the fact that at least one WestConnex environmental impact statement (EIS), the New M5, was only open for submissions over Christmas and the summer holidays.

The fact that the timeframes granted were at times longer than the statutory 30-day requirement is irrelevant given the size, scope, and socio-economic cost of each stage of WestConnex.

The time allocated to the EIS was inadequate for submissions and findings of EIS to be considered, summarised and incorporated. I worked extensively on the EIS submissions made by WestConnex Action Group (WAG), which were compiled using a network of experts and actively involved individuals who analysed key sections of the EIS for our submission. Even then, WAG found it difficult to compile our responses in the allotted time. We cannot believe that ordinary residents, especially those compiling submissions on their own, would have been able to manage this process effectively in the time allowed.

This is important, as EIS submissions should inform any determinations made by the Department of Planning and Environment (DPE), as well as any conditions of approval

designed to protect the community from the worst impacts. If the community does not have time to adequately respond, the process has failed.

The NSW government and the DPE were well aware of the depth community anger at the short period of time given for public review and submissions. WAG's campaigns in regards to the unacceptably short WestConnex M4 East EIS submission period saw hundreds of people jam the phone lines at the Minister's office on two separate occasions, and triggered hundreds of emails sent to the Minister for Planning to ask for an extension to 90 days for all WestConnex EIS submissions. Many people did not even receive an acknowledgement of, let alone reply to, their requests.

The Minister, who at the time was Rob Stokes, was told repeatedly a 55-day submission period was not enough time for the community to absorb and respond to this project's massive EIS. Despite this, he failed to grant an extension. He has stated that he acts on the advice of his Department in such matters. Members of the public who contacted the Department during this period were repeatedly told the matter of an extension was still under consideration. Ultimately, the requests were declined.

The failure to grant such an extension in the basis of such an obvious need, and to release this EIS at a time when many affected residents, businesses, government departments and local councils are away, can only be interpreted as an attempt to maintain the lack of transparency surrounding WestConnex, as well as an effort to avoid proper process by circumventing community input.

### ***C(iii) Conflict of interest issues***

A number of companies have held contracts to work on different elements of the WestConnex project in ways that give rise to grave conflicts of interest. The most serious of these concern the contracts awarded to AECOM.

AECOM was contracted to perform the environmental impact statements (EISs) for the M4 East, New M5 and M4-M5 Link sections of WestConnex. These EISs should have been independent, thorough and objective analyses of the environmental, economic and social impacts of these projects, as well as alternatives that could have delivered the same objectives more effectively.

However, AECOM also has deep interests in the planning and construction of the project, raising serious questions about the independence and integrity of the planning assessment process for WestConnex.

The same firm has previously recently paid approximately \$200 million to settle negligence claims for its traffic modelling for a privately owned toll-road in Brisbane. Legal firm Maurice Blackburn represented investors who sought to recover losses of more than \$150 million from AECOM, and eventually secured costs inclusive settlement of \$121 million was secured on a "no admissions" basis.

An international spokeswoman for AECOM told the media that the company would not be doing traffic modelling any more. Yet it is responsible for producing much of the traffic modelling for WestConnex as part of its work on these EISs.

Even before its EISs were published or any feedback received, AECOM had already endorsed WestConnex on its website. It claimed - though these references seem to have been removed now - that *"WestConnex will assist in making Sydney a more liveable city by reconnecting communities, enhancing centres and significantly improving the urban domain along Parramatta Road"* and will *"provide welcome relief from congestion on the M4 and Parramatta Road..."*.

These claims are hotly contested. An independent study commissioned by City of Sydney found that WestConnex will actually increase traffic congestion on Parramatta Road. The Sydney Morning Herald reported that the proponent's own traffic assessments show that the \$16.8 billion WestConnex will not stop Sydney traffic from worsening.

AECOM has been awarded at least six contracts for WestConnex. The contracts have a combined value of over \$9 million, and cover a range of services. The company may have been awarded more recent contracts since the SMC took responsibility for WestConnex and stopped publishing the project's contracts. Its previous contracts can be found here: <http://whywestconnex.herokuapp.com/>

These are huge conflicts of interest when it comes to its contracts to deliver EISs for other parts of the project. Perhaps this is why the EISs produced by AECOM reading as a sales document in many instances, rather than an independent evaluation. Every serious objection that is raised is simply batted away as insignificant. Many areas of analysis were profoundly deficient.

Such conflicts of interests raise serious doubts over the quality and independence of these critical EISs for WestConnex.

Arup, a company that was also involved in developing the early WestConnex business case and has held other WestConnex contracts, was also paid by the NSW Department of Planning and Environment to assist in the assessment of Stage 2 of WestConnex.

***C(iv). Multiple WestConnex contractors have a history of corruption accusations and/or making large political donations***

Several of the firms awarded contracts on the projects have also been accused of corruption on a global scale.

In the case of Leighton Holdings (now known as CIMIC) and Samsung C&T, these accusations relate directly to the practices it engaged in to secure billion-dollar government contracts overseas.

In April 2016, a joint Fairfax Media and Huffington Post investigation named both companies as having paid huge bribes to government officials via a Monaco-based intermediary, Unaoil, in order to secure government contracts to build oil industry infrastructure in the Middle East (Leighton) and Africa (Samsung). This investigation can be read in full at: <http://www.smh.com.au/interactive/2016/the-bribe-factory/>

It is incredibly disturbing that Leighton was bribing government officials overseas at the same time it was making huge donations to the Liberal, National and Labor parties here in Australia, and being awarded contracts to build three stages of WestConnex.

A search by Sydney newspaper City Hub of the Democracy for Sale donations website showed that since 2005, Leightons have donated more than \$1,320,968 to Liberal, Labor and National parties during periods when key decisions were being made to support the WestCONnex by NSW and Federal politicians of both major parties. Since the late 1990s, the company and its subsidiaries have donated more than \$3 million to the major parties. (Source: <http://www.altmedia.net.au/questions-to-be-answered-over-leightons-involvement-in-westconnex/114897>)

The accusations are all the more concerning given this isn't the first time the company has faced accusations of making corrupt payments to buy its way into government contracts.

For Samsung to have been accused of engaging in the same kind of corruption makes the matter all the more serious, as it has been awarded billion-dollar construction contracts to work with Leighton on the WestConnex M4 East and New M5 by the NSW Government.

Leighton is far from the only company involved in the project to have made huge donations to the Labor, Liberal or National parties at state and/or federal level. A slew of companies involved in its development, construction and financing are also major corporate donors to one or more of these political parties, and made large donations during periods when key decisions about WestConnex were being made. This includes Transurban, Macquarie, Thiess and John Holland.

The NSW public deserves to know why billions of dollars of our money is being handed to companies accused of corruption, and whether the political donations made by companies involved in WestConnex have had any influence on the decision-making process.

#### **D. The compulsory acquisition of property for the project**

The process by which the compulsory acquisition of property has taken place for WestConnex has been, in too many cases, brutal and deeply unfair. I know this from my own family's experience, as well as the many residents who came to me via the WestConnex Action Group or after seeing me speak publicly to share their own experiences of the process.

In addition, I believe there are serious questions to be answered about the way in which compulsory acquisitions proceedings were allowed to commence before planning approvals were granted, and may have taken place even where properties were not required for building the road.

##### ***D(i). My family's compulsory acquisition***

My own family's experience can be summarised as follows. We were delighted to purchase our first family home at Brown St in St Peters in July 2014, after searching for months across Sydney's Inner West for a suitable property.

It was during this property search that my husband and I first became aware of the WestConnex project. We were researching suburbs throughout the Inner West, and noticed that while the project's name came up consistently, there were no clear details about where it would be built, apart from the fact that it was supposed to follow Parramatta Rd.

When we began doing our due diligence on Brown St, we decided to make some inquiries to see if the property could be impacted by the project, particularly as it was within the large area that had been identified as being within an F6 road reservation dating back to the 1950s. After calling Marrickville Council and the Roads and Maritime Service (RMS), my husband was referred to the WestConnex Delivery Authority (WDA), which was the public body responsible for delivering the project prior to being privatised as the Sydney Motorway Corporation (SMC).

When my husband spoke to the WDA in early July 2014, he identified our property by street address and lot number, and asked specifically whether it was likely to be impacted by the WestConnex project, especially given that government documents about the project stated there would be an exit build in St Peters.

My husband was told that while the road reservation meant the property could potentially be acquired for a future road project, there were "no current plans" to acquire it for WestConnex. At the time, we didn't have any reason to distrust or doubt what we were being told – our thinking was, why would the government lie about this, or refuse to answer the question truthfully when asked so directly? – so we did not request the assurance in writing. Of course, we soon discovered how misplaced that trust was.

We duly purchased the property and moved in just after settlement in early September 2014. But on the morning of the Melbourne Cup day that year – one day short of our two-month anniversary of moving into our home – we learned our home was one of over 80 in the area marked for forced acquisition for WestConnex. We also learned that what had been described as an exit in St Peters was in fact a vast, LA-style spaghetti interchange, with the surrounding roads to be turned into six-lane highways. The timing of the announcement was clearly designed by the NSW government as an

attempt to bury bad news, given most of the state's media would be focused on the outcome of the Cup.

I was home at the time two employees from the WDA knocked on the door to give us the bad news. The employees were extremely young – they looked to be in their early twenties – and could offer very little detail about how the process would proceed, or even the likelihood that our particular home would be acquired.

It should go without saying that a government body should have a high enough level of professionalism and responsibility to ensure that only experienced, caring and knowledgeable staff are chosen to deliver news about compulsory acquisitions to residents, given the devastating and potentially far-reaching emotional, social and financial impacts such news has on its recipients. That the NSW government chose to use young, inexperienced, and unknowledgeable people to deliver it instead was the first of many instances where it failed to uphold its duty of care to residents.

On 23 August 2016, *The Sydney Morning Herald* published an opinion piece I wrote about the compulsory acquisition process as it stood at that time under the former NSW Premier Mike Baird, after a leaked letter revealed his government had deliberately hidden the results of a review due to fears it would add costs and delays to projects like WestConnex.

I've reproduced this article in full below, as it remains a strong description of the process, and the manner with which the government routinely denied people of their legal entitlements when making offers of compensation:

### ***The human toll of Mike Baird's WestConnex***

*Here are just a few of the statements Premier Mike Baird has made in recent weeks regarding his government's handling of compulsory acquisitions for WestConnex.*

*"We have to be generous and caring." "We have to do everything possible to minimise the inconvenience." "I strongly believe the process has not been anywhere near as good as it should be."*

*They are fine words. But now we know that every time Baird made these kinds of statements, he and his government weren't simply failing to follow them*

through. They were going out of their way to make sure that the compulsory acquisition process remains unfair, unjust, and unchanged.

The NSW Land Acquisition (Just Terms Compensation) Act 1991 gives you the right to "just compensation" if your property is compulsorily acquired. This includes its market value, limited compensation for non-financial disadvantage, and the losses or expenses you incur as a result of the acquisition. Because of this, the public perception of the process is that you'll be well compensated if the government comes knocking for your home or business.

But the NSW government was warned three years ago by a parliamentary committee chaired by Liberal MP Matt Kean that the system was unfair to landowners. In February 2014, it was handed another report by David Russell, SC, after it commissioned him to review the compulsory acquisition process.

Despite spending \$100,000 of taxpayer money on the Russell review, the NSW government has never released its recommendations - and now we know why. A letter sent to Baird in December 2015 by his Finance Minister Dominic Perrottet says, in short, that fully implementing the reforms Russell recommended to make the system fairer would result in more disputes, more complex valuations - and more costs to projects like WestConnex.

It should come as no surprise, then, that there have been many reports of the Baird government offering people whose properties are being acquired for WestConnex - my own family included - hundreds of thousands of dollars below what we're legally entitled to receive. On top of this, it's used aggressive tactics to push people to accept these offers.

In one case reported to WestCONnex Action Group [note: this was reported to me directly], Roads and Maritime Service (RMS) staff informed a resident that if he didn't accept their offer by close of business, they'd strip \$70,000 from it. That's not paying "market value". That's hardball negotiation.

This is not something that's affecting one or two people. It is happening across the board. And it can only be interpreted as a systematic strategy to make people fight for their legal entitlements.

*The toll this takes on people is horrific. Residents have suffered serious health issues as a result of the stress, including anxiety and depression severe enough to warrant medical treatment.*

*One particularly distressing example involved a former neighbour of mine, an elderly man who had received a disastrous offer for the home he'd lived in his entire life. He told me this was placing him under such strain that he went to bed each night hoping he wouldn't wake up the next morning, "because then all this would be over".*

*This process can go on for months before you either accept your RMS offer, or your case goes to the Valuer General - but this doesn't mean things will improve. If this happens, you will lose your home or business, even though still haven't received any compensation. The RMS will start charging you full market rent. And you'll still have to pay the mortgage on the property you no longer own.*

*Baird and his government are doing this because they can. They know most people will be too frightened to speak out – and that many will settle for tens, if not hundreds, of thousands of dollars less than they should.*

*For people in their 30s or 40s, such a compromise will set them back years. I cannot begin to fathom how badly such a loss will affect people who've reached the end of their working lives.*

*In my family's case, we now have to take the government to court to have any hope of closing the six-figure gap that now exists between its offer and our claim. This would add months to a process that started in November 2014, and cost up to \$140,000 in legal expenses. We've also been told the RMS is likely to evict us from our home in September, months before any demolitions in our area begin.*

*But for far too many people, the costs of taking legal action – financial, psychological and emotional – are just too high.*

*So they waive their rights. They sign on the dotted line. And the brutal system Mike Baird refuses to change goes on.*

Original article: <https://www.smh.com.au/opinion/the-human-toll-of-mike-bairds-westconnex-20160823-gqz3uc.html>

In our case, it took us close to two and a half years of negotiations with the RMS before we received the compensation to which we were legally entitled. We ended up having to take the RMS to the Land and Environment Court in order to do so. It was at the Court mediation that we agreed a settlement of \$1.85m, by which time our home had already been demolished.

This settlement was nearly \$350,000 more than the first offer made to us by the RMS in May 2015, which was just over \$1.5m. This enormous gap would have made it impossible for my family to remain in the local area. Yet such a gap is entirely in line with the experience of the many other residents I spoke to throughout our compulsory acquisition process, who reported receiving offers that were hundreds of thousands of dollars below what they were legally entitled to.

One aspect that was particularly disturbing to us was that the Valuer-General's determination – which is supposed to be an independent assessment – was almost identical to the last offer we'd rejected from the RMS. In fact, it was less.

By the time we had reached that stage of the acquisition process in April 2016, the RMS had increased their offer to just over \$1.737m. If the Valuer-General had indeed been impartial, you would expect their assessment to come close to the \$1.85m we eventually received. Instead, the determination we received from the Valuer-General was \$1.732m – around \$5,000 less than the RMS offer we'd rejected, and nearly \$118,000 less than the amount we eventually received through the Court.

Something is clearly wrong with the Valuer-General process of assessing compulsory acquisition claims when it is biased so heavily in favour of government agencies over ordinary residents. In my opinion, this is directly related to the fact that the process of valuing compulsory acquisition claims has been outsourced to private operators, rather than handled within the public service.

In our case, the valuer for our property, \_\_\_\_\_ of Cumberland Property Consulting Pty Ltd (ABN 42 607 685 978), had only just established his valuation business in August 2015. At the time, we could find very little information about his company and its history, no website, no address apart from a PO Box, no social media

profiles on Linked In or elsewhere, and very little on Google beyond basic company registration information. That remains the case to this day.

If \_\_\_\_\_ and the other valuers commissioned by the Valuer-General office are reliant on repeat business from the NSW government, I can imagine the pressure to hand down valuations that are in line with what the government agencies want, rather than what residents are legally entitled to, would be very great. It would be worthwhile for the Committee to investigate whether this process is indeed independent, or if it is another means of forcing residents to either accept less compensation than they are legally entitled to, or spending anywhere up to \$150,000 taking the NSW government to the Land and Environment Court (Court).

That the RMS and the Value-General's office appeared to have taken a deliberate and systematic approach to denying our legally entitlements was proven to us almost as soon as we began the Court process. In the months leading up to our Court mediation, the RMS had increased the last offer it made before our case went to the Valuer-General by nearly \$50,000 to just over \$1.737m. During the mediation, it took just a few hours to for them to reach the final figure of \$1.85m we agreed to settle for.

The RMS's adversarial approach added years to our case. I still find it difficult to describe the emotional strain this put us under. I lost so much weight that people who had not seen me recently would note that I looked gaunt. My husband and I suffered bouts of insomnia for years. We were forced to pay rent to the RMS to stay in our home after they gazetted (took legal ownership of) it. Yet we couldn't buy elsewhere, because we didn't know if we'd receive enough compensation to allow us to stay in the local area. We were evicted by the RMS in October 2016, only to see our home remain standing until it was finally demolished in January 2017. We had former neighbours send us photos of RMS/WestConnex contractors helping themselves to our home's fixtures and fittings we'd been forced to leave behind. And we had to pay almost \$60,000 in additional legal fees to take the RMS to Court – fees that weren't included in our settlement.

Even though we were awarded costs, it took nearly eight months for the RMS to advise us that they only planned to pay just over \$47,000 of the near-\$60,000 we'd spent. The cost of continuing to take legal action would be more than the gap, so we had no choice but to accept the offer. But I think it's unacceptable that a process the government forced us to go into because they refused to pay just compensation was one that would still leave us out of pocket by thousands of dollars.

In a touch of bittersweet irony, we were informed on Melbourne Cup Day 2017 that the RMS had finally paid this sum for our legal costs. In total, the entire process took around 1,000 days. This is far, far too long, especially given much of the time was spent fighting for compensation we were legally entitled to receive.

Despite this, I know we are fortunate to have obtained the compensation we did, and to be able to stay within our local area. As one of the main spokespeople for WAG, and someone who'd been regularly interviewed in the media about my own compulsory acquisition, I was contacted by many residents who shared their own experiences of being bullied by the RMS, and of being forced to accept offers that were tens, if not hundreds, of thousands below what they were legally entitled to receive. Many of these residents were too frightened to go public with their experiences in case they were treated even more poorly.

***D(ii). Compulsory acquisition of properties before planning approvals are granted***

Throughout the project, residents and businesses have received compulsory acquisition notices before EISs were released, let alone planning approval for the relevant stages of the project granted. This has had the effect of residents being forced into a timeline for negotiations with the RMS (which has been charged with acquiring properties for WestConnex) for properties being taken before the project has received planning approval.

In our case, our compulsory acquisition process began in November 2014. Yet it was not until 21 April 2016 that the relevant stage of WestConnex, the new M5, received planning approval. This meant that instead of negotiations starting when the project was approved, our home was instead gazetted by the government the very next day – 22 April 2016 – meaning we lost legal ownership of our home almost immediately.

The Desane Properties judgement also indicates that some of these acquisitions could have taken place, despite not being required for the purpose of building the WestConnex project or related road widenings.

In that particular case, the Rozelle-based company took the RMS to Court over its compulsory acquisition and won, with the NSW Supreme Court finding that the intentions of the RMS were "ill-defined" and "may never be realised". Desane had

argued that the compulsory acquisition was invalid because it did not comply with the *Just Terms Act*, as the government did not properly identify the public purpose for which the property is set to be acquired. The court agreed, concluding that the proposed acquisition notice had no effect for failure to state the public purpose.

This is in line with advice we were given at the beginning of our own compulsory acquisition process: that it was, in effect, a deal in which the RMS couldn't lose. If they forcibly acquired our property and used it for constructing WestConnex, then they had met the stated purpose. If they did not, they had effectively grabbed prime real estate – potentially at a much lower cost than market value – that they could rent out or sell at a profit.

The NSW public – not to mention those who lost their homes and businesses to WestConnex – deserve to have all the compulsory acquisitions that took place for WestConnex fully investigated, so it can be determined if they took place legally, and if residents received the just compensation to which they were legally entitled. If the project has failed on either or both of these counts, those residents deserve to be compensated accordingly, regardless of any releases they may have signed to date.

#### **E. The recommendations of the Audit Office of New South Wales and the Australian National Audit Office in regards to WestConnex**

WestConnex's lack of transparency and proper process came in for sharp criticism from the NSW Auditor General. Its Performance Audit of WestConnex in 2014 highlighted the importance of proper evaluation and identified some serious deficiencies in the development of the WestConnex project.

The Executive Summary of this audit concluded:

*"In the period covered by this audit, the processes applied to WestConnex to provide independent assurance to Government did not meet best practice standards..."*

*"The preliminary business case submitted for Gateway review had many deficiencies and fell well short of the standard required for such a document. Further, on our analysis, the business case put to the Government still included some deficiencies that independent Gateway reviews and external assurance arrangements, if they had occurred, should have identified..."*

*"The post-business case governance arrangements did not clearly separate board-level responsibilities for commissioning from responsibilities for delivering the WestConnex project. After not separating the roles, they also failed to provide mechanisms to effectively manage the conflict between these roles..."*

*"While good internal controls are critical, they are not a substitute for externally managed Gateway reviews. Steering committees and boards cannot be responsible for both project delivery and independent assurance and reporting to the Government. Responsibility for commissioning should be clearly differentiated from the responsibility for project delivery. Challenging deadlines heighten the need for good assurance but, paradoxically, also the risk of departure from best practice." (p.3-4)*

The NSW Auditor-General also called the conflicts of interest that characterise WestConnex into serious question. From its Audit:

*"Infrastructure NSW's roles at this stage of the WestConnex project were in conflict. It was responsible for developing the WestConnex concept and at the same time it was the key agency responsible for providing assurance to Government over major capital projects including WestConnex. A fundamental principle is separation between those providing independent assurance and those developing and delivering a project." (p. 16-17)*

This failure to employ best practice governance from project inception has greatly reduced community confidence in WestConnex. A project of this size and impact should be subject to independent reviews and scrutiny, and free from internal conflicts of interest that compromise its integrity.

It is disturbing that instead of responding to this criticism by improving processes, the NSW Government chose to 'address' them by dissolving the public WestConnex Delivery Authority and transferring its responsibilities to the private Sydney Motorway Corporation (SMC).

By doing so, the NSW Government made the process even less transparent, as the SMC refuses to release contract details or respond to freedom of information requests.

Even before this changeover occurred, very little information about NSW government contracts for WestConnex were made available to the public.

Notices for contracts worth more than \$150,000 are published on the NSW Government eTendering website, but are removed soon after a contract expires. This is in stark contrast to the Federal register, where historic contracts remain available. The NSW system makes it more difficult for the public to track the development process, or to be assured that the process by which these contracts have been awarded is free from corruption or conflicts of interest.

The whole idea that such a massive project could be taken outside the normal rules of basic government accountability is shocking and demands its own investigation.

The Federal audit was just as scathing when it came to the processes surrounding Federal funding of the project, and also confirmed that the deal had been structured in such a way that it delivered poor value for money for Australian taxpayers.

It confirmed WestConnex did not go through *"the established processes to assess its merits of nationally significant infrastructure investments"* before the Federal Government's committed \$3.5 billion to the project.

It also found that the first payment of \$500 million in mid-2014 was *"of a magnitude not yet required"*.

The audit also revealed that the \$2 billion concessional loan charged interest at *"well below comparable market rates"*, and robbing the Federal Government of \$640 million, and that it failed to achieve its objective of accelerating the construction of stage 2 (the New M5).

Yet despite these damning findings, the WestConnex project continued on unabated, with the NSW and Federal governments barely stopping to acknowledge them. It ought to go without saying that this should not be allowed to happen when so much public money, the health and wellbeing of many thousands of residents, and the future mobility and viability of Australia's most economically important city is at stake.

**F. The extent to which the project is meeting the original goals of the project as articulated in 2012**

In a democratic strategic planning process, goals are set based on the needs and desires of the community, and then alternative projects/policies are appraised against their ability to meet those objectives.

The process followed by the NSW government in regards to WestConnex fails on all of these counts, as the stated goals for WestConnex were contrived to fit the project after it had already been announced. In other words, the NSW government made a decision to build a tollway, and subsequent processes were designed to justify and expedite the delivery of that decision.

The goals have no associated targets by which their achievement can be ever be determined. Effective goals need to be specific, measurable, achievable, relevant and time-bound, and each of the project's objectives fails on one or more of these measures.

Yet despite the fact that the stated goals for WestConnex were contrived to fit the project, WestConnex as it stands today fails to meet its original goals.

Original 2012 goal

Objective Met?

**NO**

The planned route for the WestConnex does not connect to Sydney Airport or Port Botany.

1. Support Sydney's long-term economic growth through improved motorway access and connections linking Sydney's international gateways and south-western Sydney and places of business across the city.

The EIS does not provide evidence that economic growth can be assisted by increased motor traffic to the CBD.

There are serious flaws in the proponent's traffic modelling.

If WestConnex leads to more traffic congestion in the inner west, parts of south-west Sydney and routes into the CBD as most independent experts and even the project's own EISs admit it will, WestConnex will not improve access to businesses.

Congestion and traffic will only worsen, not just on parts of WestConnex, but on the surrounding road network.

Should Badgery's Creek airport be built, the emphasis on Sydney Airport is likely to be misplaced, as this hub is likely to act as a more appropriate international gateway for many air freight movements given its proximity to western Sydney freight facilities, as well as western Sydney residents.

There are better ways of spending \$16.8 billion that would deliver greater long-term economic growth, including:

- improved road and rail access to Port Botany
- improved public transport between Western Sydney and Sydney's various CBDs
- improving ring roads in Western Sydney
- supporting and developing businesses in Western Sydney.

There is already an extensive road and motorway network linking Sydney's international gateways (Sydney Airport and Port Botany), Western Sydney and places of business across the city. The operation of this network could be improved significantly with demand management such as road pricing reform. There is no need for costly and destructive new motorways.

The most efficient and economic way to link large trip generators is with mass transit. A single motorway lane can transport only 2000 passengers per hour, under ideal conditions. A single railway line can transport 20,000 passengers per hour.

### NO

The improvements in congestion claimed for the project arise from measures that can be separated from the rest of the project – for example, the charging of tolls for using the M4, M5 East and New M5.

Absent congestion charging, or similar, the laws of induced traffic means that increasing road capacity increases traffic volumes; it does not reduce congestion over the long term, if at all.

Charging tolls for WestConnex without introducing congestion charges on alternate routes will increase, not reduce, congestion on those routes.

2. Relieve road congestion so as to improve the speed, reliability and safety of travel in the M4 and M5 corridors, including parallel arterial roads.

Many intersections will remain at the lowest Level of Service (F) even if the project is built.

Claims by WestConnex that the project will improve speed and reliability depend on the reliability of its approach to traffic modelling, which experts argue are flawed.

There is no evidence that increasing road capacity and building urban motorways can relieve road congestion in the long term, because the added capacity simply induces more demand.

As travel speeds increase, so do travel distances, i.e., increasing the speed of the road network encourages urban sprawl. Perversely, this sprawl has the effect of reducing the population's accessibility to employment, education and services, and increasing transport costs, because people have to travel longer distances.

Road congestion is inevitable in any large city in

the absence of adequate demand management. There can never be enough road capacity to satisfy the latent demand for driving, where everyone can live as far from work as they like, and drive whenever they like, to wherever they like in free flowing traffic. It is geometrically impossible.

Congestion on Sydney's roads is the main thing keeping private vehicle travel demand in check. If this congestion is relieved temporarily by increasing the road supply, then demand will increase until limited by the resulting congestion.

A better objective would be to give as many people as possible a more pleasant and faster alternative to sitting in traffic – particularly drivers of single-occupant vehicles who make up the vast majority of peak-hour traffic.

A claimed benefit of the project is that daily traffic on the existing M5 East would reduce by 20-40% due to the new tolls. If it is acknowledged that tolls alone are effective in meeting the project objective (reducing congestion), then there is no rationale for adding more capacity.

### **NO**

The second sentence seems to assume rather than demonstrate that this objective is met by stating that diverse travel needs are 'best met by road infrastructure.'

The majority of traffic movements are fungible, and highly responsive to environmental changes including: provision of alternate modes of transport, (for e.g. public transport); provision of alternate traffic generators (for e.g. increased local

3. Cater for the diverse travel demands along these corridors that are best met by road infrastructure

employment opportunities); and cost and other signals (for e.g. congestion charging).

Catering more adequately for travel demands that are not 'best met by road infrastructure' also has the advantage of releasing road capacity for road users with no alternatives (within the limitations imposed by induced traffic) and potentially at a lower overall cost that proper process would have seen explored as an alternative to this project.

There is already more than sufficient capacity along these corridors to cater for all the essential vehicle travel, particularly if alternative strategies such as demand management and public transport investment are implemented.

### **NO**

This objective was based on the route alignment following Parramatta Rd and diverting traffic away from it. However, WestConnex's route has now changed, so it no longer follows Parramatta Rd once the M4 ends.

4. Create opportunities for urban renewal, improved liveability, public and active transport improvements along and around Parramatta Road

The WestConnex M4 Widening Environmental Impact Statement (EIS) showed that under WestConnex, Parramatta Road will take more traffic in the future, not less (M4 Widening EIS, Appendix D, p. 144).

The *Inner West Courier* reported on 14 August 2018 that the re-introduction of tolls on the M4 between Homebush and Parramatta in August 2017 has seen a 30% decrease in traffic using the M4 – from 195,800 per day in July 2017 to 137,490 in July 2018, a drop of 58,310. This follows similar patterns of toll avoidance on other Sydney roads,

including the M4 in the past.

Increased traffic on Parramatta Road does not support urban renewal objectives, which rely on reduced traffic. Section 2.6 of the Updated Strategic Business Case notes that high traffic volumes have eroded the pedestrian amenity of Parramatta Road and that land uses have changed over time in response to this degradation. Section 2.6.1 of the Updated Strategic Business Case identifies the role Parramatta Road is hoped to have in supporting future population growth in Sydney, and it notes that a significant catalyst is required to support renewal. No compelling evidence is presented which shows that WestConnex would support this renewal, and in fact, it appears that it could hinder renewal efforts.

Average weekday traffic volumes on Parramatta Road are presented in the Updated Strategic Business

Case in Figures 5-5, 5-6 and 5-11. This analysis clearly shows that:

- Average weekday traffic volumes along Parramatta Road are higher for five of the 14 sections of the road under WestConnex
- AM peak traffic volumes are higher under WestConnex in 2031 for six of the 14 sections of the road, and only marginally lower than a 'do nothing' scenario for a further four sections
- Truck volumes are lower under WestConnex in 2031 for only five of the 14 sections of Parramatta Road.

5. Enhance the productivity of **NO**

commercial and freight generating The planned route for the WestConnex does not

land uses strategically located near transport infrastructure connect to Sydney Airport or Port Botany.

This is a reference to faster travel times that should enhance the productivity and attractiveness for businesses along the WestConnex route. It also relies on traffic modelling predictions being accurate. Modelling has failed for some past projects leading to business failure. It's also not clear exactly what this is referring to and in the absence of a transparent business case, it's not possible to evaluate the 'enhanced productivity' of land uses.

This objective could be more easily and more economically achieved by improving the operation of the existing road network with demand management, e.g., road pricing reform.

It has to be questioned whether a highly populated inner city area is the optimal location for some commercial and freight generating land uses. Could some of it be moved to less populated areas, where the transport costs and externalities are lower? There is evidence this is already happening in places like Moorebank; this would render this objective, and much of the justification for WestConnex, moot.

### **NO**

6. Fit within the financial capacity of the State and Federal Governments, in partnership with the private sector

Until the full business case is released – i.e. one in which critical information such as the cost and toll revenue figures have not been redacted – and has been independently verified, it cannot be assumed that the project fits within the financial capacity of the State and Federal Governments. It has already been made clear that the private sector did not fund this project upfront precisely because of

concerns about its viability.

Billions of dollars of public money are being paid to private companies, and the public not the private sector carry the risk on this project. Such a one-sided relationship can hardly be described as a “partnership”. Currently we do know that the WestConnex will absorb billions of Federal and State funds – not to mention toll revenues from motorists – that could be spent on alternative projects with better and more sustainable returns.

Both the current NSW government and the NSW opposition have pledged large taxpayer-funded subsidies be paid to drivers using tolled motorways, including registration fee refunds and toll cashback schemes. The latter in particular would end up flowing entirely to the private sector via the consortium that wins the rights to collect toll revenue from WestConnex M4. Again, such a one-sided relationship can hardly be deemed a “partnership”.

There is a high risk of toll revenue from the project not meeting forecasts, resulting in financial losses for the government at state and federal level – which of course, are losses that be borne by NSW and Australian taxpayers. The lack of transparency surrounding the negotiations for the sale of the Sydney Motorway Corporation (SMC) means no information is publicly available in relation to the potential risks to the taxpayer associated with this deal, or the cost of any concessions that need to be made to the private sector in order for them to purchase the SMC before the construction and revenues associated with WestConnex are complete.

The cost of the overall WestConnex project has blown out at an extraordinary rate. It came with a price tag of \$10 billion at its inception in 2012; it is now a multi-tollway project that comes with a cost officially estimated at \$16.8 billion cost. The City of Sydney has conducted its own independent financial modelling that found the final cost of WestConnex, including its compulsory acquisitions and related projects, could actually be up to \$45 billion.

The project has a high financial risk. The flaws and optimistic assumptions in the traffic modelling mean that toll revenue is likely to be significantly lower than forecast. AECOM has a history of providing over-optimistic traffic forecasts for toll roads, resulting in previous financial failures (e.g., Clem7).

### **NO**

The proposed cost model will not be affordable for many residents, particularly when high parking and vehicle running costs are added to the equation. The tolls are likely to be even less affordable for residents from western and south-west Sydney, where the mean income is below that of residents in the inner city.

7. Optimise user-pays contributions to support funding in a way that is affordable and equitable

Numerous studies have shown that irrespective of income, drivers are extremely sensitive to tolls. This has been ably demonstrated by the financial failure of the last four toll roads built in Australia, including Sydney's Lane Cove Tunnel and Cross City Tunnel.

More than 99% of the NSW population will not use the project each day, but they will still have to pay for it through general taxation.

Many of the potential users will be from low-income households who cannot afford to live near employment centres or railway stations. They will have to pay high tolls while higher-income households have access to cheaper roads and public transport. This is hardly equitable.

Both the current NSW government and the NSW opposition have pledged large taxpayer-funded subsidies be paid to drivers using tolled motorways, including registration fee refunds and toll cashback schemes. This is neither affordable nor equitable.

### **G. The relationship between WestConnex and other toll road projects including the Sydney Gateway, Western Harbour Tunnel, F6 and Beaches Link**

A key justification for WestConnex in 2012 was that it would connect western Sydney with Sydney Airport and Port Botany. The removal of the Sydney Gateway from WestConnex that was intended to deliver this raises serious questions about the viability of this project as a whole, particularly given how congested the roads between St Peters and Arncliffe (the closest exit points to both destinations) and the airport/port are already.

There are still no designs or construction plans for the Rozelle Interchange, despite it being critical to the viability of WestConnex as a whole, and its connection to any future Western Harbour Tunnel. WestConnex is essentially a gigantic, expensive u-turn between south-western Sydney and western Sydney via the inner west without an exit at Rozelle, so it is difficult to imagine who would want to pay to use this route – particularly as are more direct routes between south-western and western Sydney already exist.

*The Sydney Morning Herald* reported in January 2018 that leaked government documents revealed that the F6 extension would benefit the private owners of WestConnex, rather than any government or public body:

*The state's roads agency will receive no benefit from funnelling traffic from the proposed F6 Extension on to the soon-to-be-sold WestConnex toll road, an analysis of traffic modelling contained in a leaked government document shows.*

*The analysis contained in a business case for an extension of the F6 in Sydney's south shows the proposal is likely to increase traffic and revenue for each of the three stages of WestConnex, a majority stake in which the government is selling to private interests.*

*While the new owners of WestConnex stand to benefit, the leaked document reveals the ability of Roads and Maritime Services to "capture any additional value" from the F6 Extension is limited by so-called upside-sharing regimes in the project deeds for WestConnex.*

*The upside-sharing arrangements are "generally less favourable to RMS than market", the document states.*

Full story: <https://www.smh.com.au/national/nsw/leaked-documents-show-sydneys-f6-extension-to-benefit-new-owners-of-westconnex-20171031-gzbrwx.html>

The fact that WestConnex is so reliant on these other toll roads for dispersing traffic is also proof that ultimately, building bigger roads does not ease traffic congestion, but instead makes it worse thanks to induced demand. One of the best explanations of this concept appeared in the science and technology magazine *Wired*, in a 2014 story called *What's Up With That: Building Bigger Roads Actually Makes Traffic Worse*:

*[I]f there's anything that traffic engineers have discovered in the last few decades it's that you can't build your way out of congestion. It's the roads themselves that cause traffic.*

*The concept is called induced demand, which is economist-speak for when increasing the supply of something (like roads) makes people want that thing even more. Though some traffic engineers made note of this phenomenon at least as early as the 1960s, it is only in recent years that social scientists have collected enough data to show how this happens pretty much every time we build new roads. These findings imply that the ways we traditionally go about*

*trying to mitigate jams are essentially fruitless, and that we'd all be spending a lot less time in traffic if we could just be a little more rational.*

*But before we get to the solutions, we have to take a closer look at the problem. In 2009, two economists—Matthew Turner of the University of Toronto and Gilles Duranton of the University of Pennsylvania—decided to compare the amount of new roads and highways built in different U.S. cities between 1980 and 2000, and the total number of miles driven in those cities over the same period.*

*"We found that there's this perfect one-to-one relationship," said Turner.*

*If a city had increased its road capacity by 10 percent between 1980 and 1990, then the amount of driving in that city went up by 10 percent. If the amount of roads in the same city then went up by 11 percent between 1990 and 2000, the total number of miles driven also went up by 11 percent. It's like the two figures were moving in perfect lockstep, changing at the same exact rate.*

*Now, correlation doesn't mean causation. Maybe traffic engineers in U.S. cities happen to know exactly the right amount of roads to build to satisfy driving demand. But Turner and Duranton think that's unlikely...A more likely explanation, Turner and Duranton argue, is what they call the fundamental law of road congestion: New roads will create new drivers, resulting in the intensity of traffic staying the same.*

Full story: <https://www.wired.com/2014/06/wuwt-traffic-induced-demand/>

### **H. The circumstances by which WestConnex and the Sydney Gateway were declared to be separate projects in 2017**

It is not at all clear why these two projects were separated, apart from the poor planning and rushed construction that has characterised this project from the outset, and the probably cost blowout associated with building the Sydney Gateway.

WestConnex's Updated Strategic Business Case said the Sydney Gateway "falls as part of the stage two project" (The New M5) and was due to open "at the latest" by 2023.

When I met with the then-Premier Mike Baird and Maryanne Graham, Director Communications & Stakeholder Engagement at the SMC, Ms Graham advised that the Sydney Gateway plans would be made public by the end of June 2017.

Instead, in August 2017, the current Premier Gladys Berejiklian claimed the Sydney Gateway "feeds into the [WestConnex] project but it's not part of the project – it never was", as reported in *The Sydney Morning Herald* (<https://www.smh.com.au/national/nsw/1-billion-cost-blowout-in-westconnex-gateway-project-to-sydney-airport-20170810-gxt6wc.html>). This is blatantly false.

That *Herald* article also reported that leaked documents estimated the cost of the project had "more than doubled" from \$800m to \$1.8b.

In February 2018, *The Sydney Morning Herald* reported that compulsory acquisitions for the Sydney Gateway were likely to pose a problem for the project:

*Sydney Airport is holding all the cards in freight negotiations over land needed for the Berejiklian government's \$1.8 billion Sydney gateway link to WestConnex, threatening to delay completion deadlines for the project.*

*The state cannot compulsorily acquire airport property crucial for the gateway, unlike the homes in Sydney's inner west, which have been bulldozed for the WestConnex tollroad.*

Full story: <https://www.smh.com.au/national/nsw/sydney-airport-road-block-to-state-governments-18-billion-link-to-westconnex-20180131-h0r78i.html>

### **I. The cost of the project against its current valuation as determined through the sale of the Sydney Motorway Corporation and whether it represents a good investment for NSW taxpayers**

I find it interesting that the sale of the Sydney Motorway Corporation (SMC) was announced the day submissions to this inquiry officially closed – too late for this question to be fully addressed by most submissions. The only reason I have been able to include any comment on this is because I received an extension of time to complete my submission.

Of the \$9.3 billion sale to Transurban, \$5.3 billion will have to be spent completing Stage 3, the M4-M5 tunnel. That leaves only \$4 billion net for 51% ownership. This is before the value of any cost overruns on the project, vehicle registration rebates, and additional roads projects related to WestConnex are accounted for.

The total cost to the people of NSW, through either tolls or taxes, is \$20.5 billion. Also confirmed in the announcement is that the tolls on the M5 Southwest are being thrown in, along with the new tolls on the previously free M4 and M5 East. The net present value of those tolling rights is \$9.2 billion.

Given Transurban's own investor presentation on the acquisition noted that *"Any developments that reduce volumes or inhibit growth in traffic volumes below Transurban's traffic forecasts or growth expectations could have a material impact on Transurban's financial performance,"* it would be prudent to ask if non-compete clauses have been built into the sale contract to either ensure public transport won't be increased along the route, or that compensation be paid to Transurban if it is.

The NSW public deserves to know the full details of this contract in any case given its direct impact on state finances, and the ongoing costs involved for any compensation measures that appear within it.

### **J. Any other related matter**

Of serious concern to me is the way in which the planning process has been corrupted in order to force WestConnex through. Some of the key areas where this has occurred are summarised below.

#### ***J(i) Strategic development of the project***

The NSW government's strategic planning documents for Sydney were rewritten in 2012/2013 to place WestConnex at the centre of their transport strategies.

Up until 2012, metro strategy development in NSW was based on developing the broad strategy planning objectives, and then discussing options to meet these strategic objectives before proposing individual projects/actions. Linking the M4 with the M5, as proposed by WestConnex, was never included as a project to realise previous Metropolitan Strategies.

Once WestConnex became the number one infrastructure project proposed by Infrastructure NSW, all strategic planning documents were rewritten to include WestConnex. In fact, it became the centrepiece of the transport strategy. This was after extensive community consultation was undertaken in February 2012 for the Long Term Transport Master Plan, which did not include WestConnex.

At the time, Les Walinga, the then Director General of Transport, was on the Board of Infrastructure NSW and at the same time was developing the Long Term Transport Master Plan. When Infrastructure NSW proposed WestConnex as the major infrastructure project of its plan, Les Walinga resigned from the Board citing conflict of interest, as he was proposing public transport solutions in the Long Term Master Plan and was not supporting WestConnex. Even within Infrastructure NSW there was doubt about the appropriateness of WestConnex.

Even allowing for the bastardisation of the planning process, there are a number of areas where WestConnex is clearly not consistent with the Metro Strategy. These include that fact that it:

- Does nothing to alleviate Western Sydney congestion
- Is an unsustainable solution as it will reach capacity by 2031
- Does not relieve traffic congestion on most downstream intersections.

In 1998 the NSW government released Action for Transport 2010, an integrated transport plan for Sydney. According to page 2 of this plan, it proposed to:

*“redress the [then] current imbalance in the road and public transport system.”*

The plan included a 10 Point Action Plan for Sydney:

1. Getting the best out of the Sydney system
2. Improving Sydney’s air quality
3. Reducing car dependency
4. Meeting the needs of our growing suburbs
5. Getting more people on public transport
6. Safeguarding our environment
7. Making space for cyclists and walkers
8. Preventing accidents and saving lives
9. Making freight more competitive

### 10. Giving the community value for money

The plan listed 21 projects to be completed or started by 2010. These were:

#### *Rapid Bus Only Transitways*

**1. Liverpool to Parramatta (2003)**

2. Parramatta to Strathfield (2002)

3. St Marys to Penrith (Stage 1 2003) (Stage 2 2008)

**4. Parramatta to Blacktown (2004)**

5. Blacktown to Castle Hill (2009)

6. Blacktown to Wetherill Park (2006)

7. Parramatta to Mungerie Park (2010)

#### *Heavy Rail*

**8. Airport Line (2000)**

9. Bondi Beach Railway (2002)

10. Parramatta Rail Link to Epping and Chatswood (2006)

11. Hornsby to Newcastle High Speed Rail (Stage 1 to Warnervale 2007) (Stage 2 to Newcastle work to start by 2010)

12. North West Rail Link Epping to Castle Hill (2010)

13. Sutherland to Wollongong High Speed Rail (2010)

14. Hurstville to Strathfield Railway (To start by 2010 and be completed by 2014)

15. Liverpool Y Link (Work to start by 2010)

#### *Light Rail*

**16. To Lilyfield (2001)**

#### Road Improvements

**17. Eastern Distributor (2000)**

**18. M5 East (2002)**

**19. Cross City Tunnel (2004)**

**20. M2 to Gore Hill (2004)**

**21. Western Sydney Orbital (2007)**

All the projects highlighted in **bold** were built. Every road project was delivered. Of the 16 public transport projects, only four were completed.

The inability for successive governments to deliver public transport projects has made Sydney (particularly western Sydney) more car dependent. Building more roads has not had any lasting impact on congestion. No evidence has been provided to suggest WestConnex will be any different. This project will not reduce car dependency, meet the needs of our growing suburbs, or get more people on public transport.

### ***J(ii). Contracts being signed before planning approval is granted***

Another unusual feature of various stages of WestConnex is that contracts for construction were awarded before EISs were completed or planning approval granted. Awarding the contracts before approvals is neither acceptable nor democratic.

### ***J(iii). Politicisation of the process by government officials and Ministers***

One of the most disturbing elements of the WestConnex project has been the highly politicised nature of any discussion around the project. Expert analysis presented by the likes of SGS Economics and Planning, who prepared two independent reports on WestConnex for the City of Sydney, and even the NSW Auditor General and Australian National Audit Office have been dismissed by the NSW Government.

Perhaps the most shocking public example of this politicisation was the treatment meted out to Dr Tim Williams, former CEO of the Committee for Sydney, after he strongly criticised WestConnex and the highly politicised road-building ideology that lies behind these kinds of infrastructure projects in an heavily researched presentation at the University of Sydney in April 2015.

Within days of his speech being reported in the *Sydney Morning Herald*, Dr Williams backed away from the criticism, saying in a letter to the *Herald* co-signed by Committee for Sydney chair Lucy Turnbull that the speech reflected only his personal views, despite the fact that his presentation was made on Committee for Sydney-branded PowerPoint slides.

Days after this letter appeared, Roads Minister Duncan Gay admitted in Parliament that he and his staff had made angry phone calls to pressure the Committee for Sydney to retract Dr Williams's comments, saying:

*"I did most of the phoning but my office did some as well...This was an appalling situation in which there was a rogue operator using the Committee for Sydney's material without their permission. In the strongest possible terms I prosecuted that case to the members of that committee, as did some of my staff."*

It is hard not to conclude that the pressure placed on the Committee for Sydney by Minister Gay and his employees did not play a pivotal role in Mrs Turnbull and Dr William's decision to make such a public and humiliating backdown from his well-informed speech, which was in line with credible international analysis on best practice urban and transport policy.

It is a chilling development when elected officials use their power to shut down open and democratic debate on an issue in which so much public money, the future prosperity and liveability of Sydney, and the quality of life of thousands of people rests.

**- End of submission -**