Joint Media Statement

2 February 2015

DEAL DONE: NORTHCONEX FINANCIAL CLOSE

Federal Assistant Infrastructure Minister Jamie Briggs and NSW Roads Minister Duncan Gay today announced contracts had been signed to close the deal on the $3 billion NorthConnex project.

The contracts were signed on the weekend between the proponents Transurban and Westlink M7 shareholders and the NSW Government.

Mr Briggs said the signing marks the final milestone before the start of work later this month on the twin nine kilometre tolled tunnels under Pennant Hills Road.

“The Australian and New South Wales Governments are getting on with delivering world class infrastructure to grow the NSW economy and create thousands of new jobs,” Mr Briggs said.

“NorthConnex will link the M1 Pacific Motorway at Wahroonga to the Hills M2 Motorway at the Pennant Hills Road interchange at West Pennant Hills.

“The project will deliver real benefits for Sydney by easing traffic congestion, particularly along Pennant Hills Road, enabling commuters and freight trucks to bypass up to 21 traffic lights and reduce travel time by up to 15 minutes.

“NorthConnex will also reduce the number of heavy vehicles travelling along Pennant Hills Road by more than 5000 trucks per day.

“It will also provide an alternative route to the Pacific Highway which has 40 sets of traffic lights,” Mr Briggs said.

“This is a great day for Sydney. The project has now cleared the final stage of the unsolicited bid process which began in 2012 and is the first major infrastructure in NSW to be approved under the unsolicited proposal process put in place by this government,” Mr Gay said.

“It follows planning approval granted by the NSW Planning Minister last month including unprecedented air quality safeguards for any road project in this state.

“This is about building for our city’s future. NorthConnex will deliver a missing link that will provide benefits for the whole motorway network, ensuring that as Sydney’s population keeps growing, the M2, Lane Cove Tunnel and M7 don’t grind to a halt.

“NorthConnex provides a continuous motorway-grade road from Newcastle and the Central Coast to Western Sydney and Canberra. It also means journeys between Sydney’s CBD and the regions north of Sydney are linked by motorway.
“This is a project that has been on the drawing board for far too long – it can’t come soon enough for motorists using Pennant Hills Road and the communities who live along it.

“I’m delighted through this process we’ve been able to deliver an outcome that demonstrates innovation, value for taxpayers and is environmentally responsible,” Mr Gay said.

In March 2012, the NSW Government received the unsolicited proposal for the project. On 30 May 2013, the NSW Government announced it had progressed to Stage 3 of the unsolicited proposal process, which would include a competitive tender to select a design and construction contractor which was announced in March 2014.

The $3 billion project, consisting of a construction budget of $2.65 billion in addition to land and project delivery costs, will be funded through toll charges, a contribution from the NSW and Australian Governments of up to $405 million each and previously outlined concession extensions on the M2/Lane Cove Tunnel and M7 and truck toll changes on the Lane Cove Tunnel and M7.

As part of the project, there will also be a $105 million upgrade to the M2 including an additional 3.5 kilometre westbound lane from the merge point of the M2 and NorthConnex to Windsor Rd.

Under the unsolicited bid process a cross-agency committee worked to assess and develop the proposal including representatives of the Department of Premier and Cabinet, NSW Treasury, Transport for NSW, Infrastructure NSW and Roads and Maritime Services.

ENDS

Media Contacts
For Mr Briggs: Amy Chandler 0400 694 596
For Mr Gay:   Marie Scoutas 0467 739 976