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Transport for NSW

# Trains for NSW

Early guidance for industry

July 2024

[transport.nsw.gov.au](http://transport.nsw.gov.au)



Acknowledgement  
of Country

Transport pays respect to Elders past and present, and recognises and celebrates the diversity of Aboriginal peoples and their ongoing cultures and connections to the lands and waters of NSW.

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## Foreword



The Hon Jo Haylen MP, Minister for Transport

The NSW Government is committed to rebuilding the State's capacity to build and service our rail rolling stock. That is why we established a target of 50 per cent minimum local content for future rolling stock contracts and are increasing tender weightings for local companies.

We want a future where the first port of call when we consider fleet renewal and rebuilds is where we live, not far-flung places that – as we know – struggle to provide the quality of infrastructure we need in a timely way.

The NSW heavy rail network is ageing. There are too many different types of train running and requiring maintenance through our system. The only remedy for this is to plan effectively, consult widely and listen to both industry and rail users.

The Government's Future Fleet Program represents the next big step in rail procurement. It is a multi-decade fleet transformation comprising approximately 1500 new cars.

We don't want to buy another completely new train from an entirely different country every five to ten years. We want to build great rolling stock that is capable of adaptation and improvement over the lifecycle. We want new trains that are quieter; that provide greater levels of passenger comfort; and which help us reduce emissions.

NSW has the capacity to step up, improve its manufacturing capability, and drive growth in the number of skilled workers, including apprentices. If we get it right, we will enable the systematic renewal of the suburban rail fleet. We will also turbo-charge the number of employees directly employed in rail manufacturing in NSW.

The good news is that work on building capacity has already started, with the Tangara Life Extension. The project will see almost 450 cars make their way through a major overhaul. At a cost of about \$450 million, it will improve the Tangara fleet, drive workforce skills growth and, give us the time to plan and cost the trains for the future.

Once we have the fundamentals right, we can consider the funding case and honour the Government's commitment to start procuring the replacement fleet for the Tangara's before the end of this term of government.

NSW has a vision for a world class, locally built modern fleet to deliver long term benefits for passengers, the network, and economy. Future Fleet Program is the start of our work with industry to plan and deliver quality, locally manufactured stock to get people from point A to point B, connect communities and support local industry.

# Trains for NSW

New South Wales has a long and proud history of rail manufacturing stretching back over a hundred years. The New South Wales Government is committed to revitalising domestic rail manufacturing.



New South Wales Government investment in the passenger rail fleet underpins the health of the supply chain across NSW, and is pivotal to supporting economic growth, jobs and wellbeing, and improving connectivity.

Over the next 30 years, there is a need for ongoing investment in New South Wales' ageing suburban passenger fleet. The New South Wales Government has established the Future Fleet Program to invest in a long-term pipeline of suburban fleet replacement and modernisation through to the 2050s. This investment will help realise the New South Wales Government's aims to revitalise domestic manufacturing, achieve Net Zero, and make public transport more attractive.

Rail manufacturing in NSW has a diverse industrial and employment profile, supporting hundreds of businesses and providing thousands of workers across NSW with rewarding and secure jobs. New South Wales has significant rail manufacturing capability with a competitive mix of high-tech, R&D-intensive design activities alongside traditional component manufacturing, advanced systems and technologies, train assembly, as well as repairs and maintenance (Figure 1).

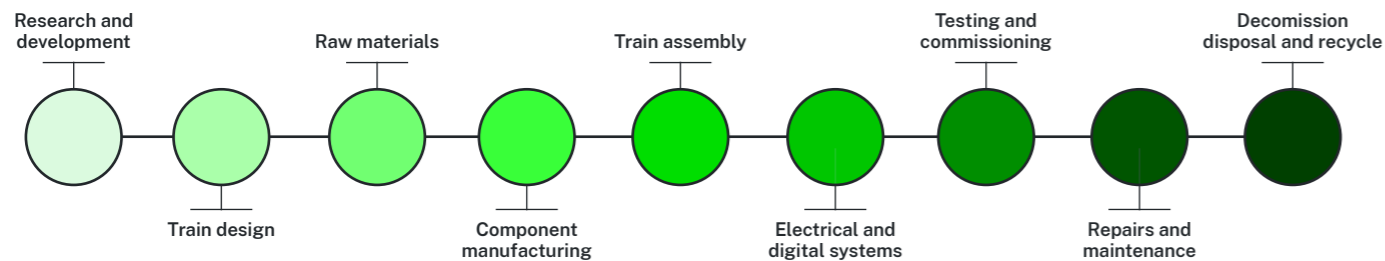
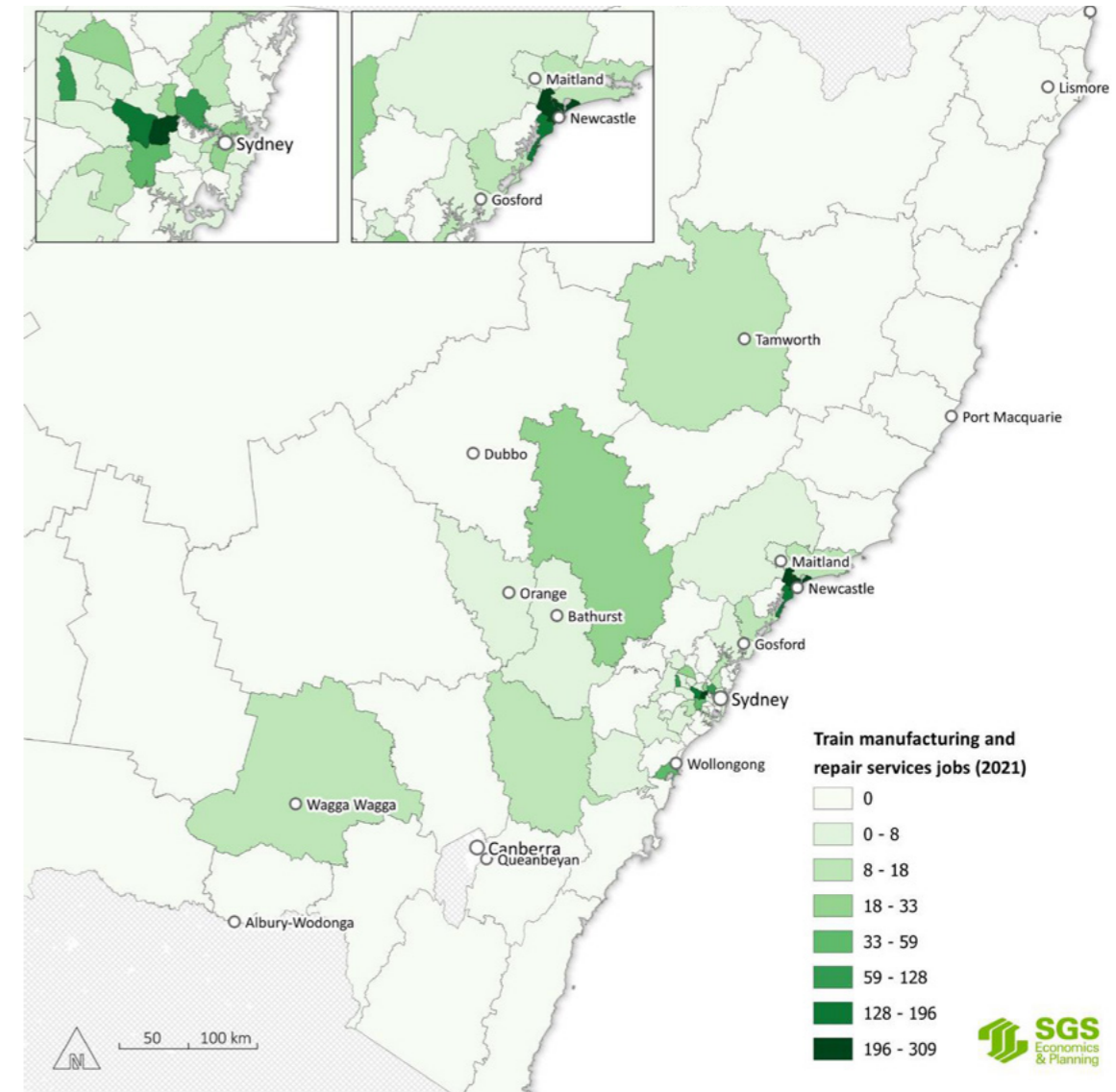


Figure 1: Rail Manufacturing Supply Chain



### Local Manufacturing and Jobs are a Strategic Priority for NSW

Rolling stock is strategically important to NSW and nationally given the centrality to passenger and freight movement across the country. Rolling stock manufacturing combines significant capital investment, large quantities of raw materials, professional and skilled labour, and complex technology and systems to make a highly advanced product with valuable economic, environmental, and social co-benefits.

Rail manufacturing directly employs over 2,300 people in NSW. These jobs are largely concentrated in existing manufacturing hubs, particularly Western Sydney, the Central Coast, the Hunter around Maitland and Newcastle, and places such as Tamworth, Wagga Wagga, Bathurst, and Goulburn. This is just one slice of the sector in NSW, with these 2,300 direct jobs supporting other jobs in related, but not necessarily train-specific sectors, such as electronics, carpentry

and fit-out, vehicle maintenance, and inspection and auditing.

The New South Wales Government is joining efforts underway nationally to revitalise domestic manufacturing. The transport sector is a key pillar in these efforts. Ongoing investment in the NSW suburban passenger fleet over the next 30 years will support the growth of manufacturing in NSW and Australia.

The New South Wales Government is committed to leveraging public procurement to secure a bigger role for local industry in future rolling stock projects. Sydney Trains is also working to directly source more locally made and supported products for ongoing maintenance of the fleet. Through investment in the suburban passenger fleet, the New South Wales Government aims to create rewarding, secure, and skilled jobs and apprenticeships across the rail sector in NSW.

## Rolling Stock Passenger, Network, and Technology Trends

New South Wales' rail network has undergone significant change over the past decade. In Sydney, there has been expansion and upgrades to the heavy rail network, new services and an increase in the size of the passenger fleet, transition to more advanced signaling systems, and significant investment in the new Sydney Metro network. In regional NSW, new facilities are opening to support operation and maintenance of renewed and expanded regional and intercity fleets.

These major projects have responded to several key trends, including: rapid population growth driving increasing rail patronage; ongoing electrification of the heavy rail network; the need to increase capacity and reliability to better meet passenger growth, frequency and trip needs; the need to improve journey times by leveraging emerging rail technologies; a drive for greater economic productivity, environmental sustainability, and global competitiveness in rail freight; and passenger expectations for a better on-board experience with modern amenities and comforts.

## Commitment to Locally Made Rolling Stock

Rail manufacturing is a major contributor to the economic and social well-being of NSW. The New South Wales Government is embarking on an intergenerational program of investment over 30 years to refurbish and replace the existing suburban passenger fleet of over 1,500 cars. This pipeline is one of the strongest in Australia, with billions worth of investment in fleet and supporting infrastructure expected over several decades.

To unlock the transformative power of this investment, the New South Wales Government will ensure new trains have at least 50% local content as a requirement in the contract. The target will also apply to new Through Life Support contracts to ensure high quality locally made products are used in future maintenance of the trains.



Goods produced, services provided, and labour supplied in Australia and/or New Zealand will be counted as part of the 50% local content target.



The New South Wales Government's commitment to replacing the suburban passenger fleet over time with locally made trains provides industry with certainty and confidence to invest locally in making world class, modern passenger trains for NSW. This investment will leverage and boost the State's existing strengths and capabilities to create big opportunities across the supply chain and rewarding new jobs and apprenticeships in the sector.

Experience from other jurisdictions across Australia shows local industry can achieve the 50% local content target in different ways and there is opportunity to go beyond the target. The Australia-New Zealand wide setting for the target provides industry with flexibility to organise the production process in a way that can draw on specialised capabilities across the country to deliver the best local manufacturing outcome. A focus during procurement on ensuring participation of NSW-based businesses and the creation of new jobs and apprenticeships in NSW will also ensure value for money for NSW taxpayers.

During procurement, Transport for NSW will ask industry to confirm how NSW businesses are involved in designing, building, and maintaining the future suburban passenger fleet, how manufacturing capabilities are being enhanced, and how jobs and apprenticeships are being created in NSW.



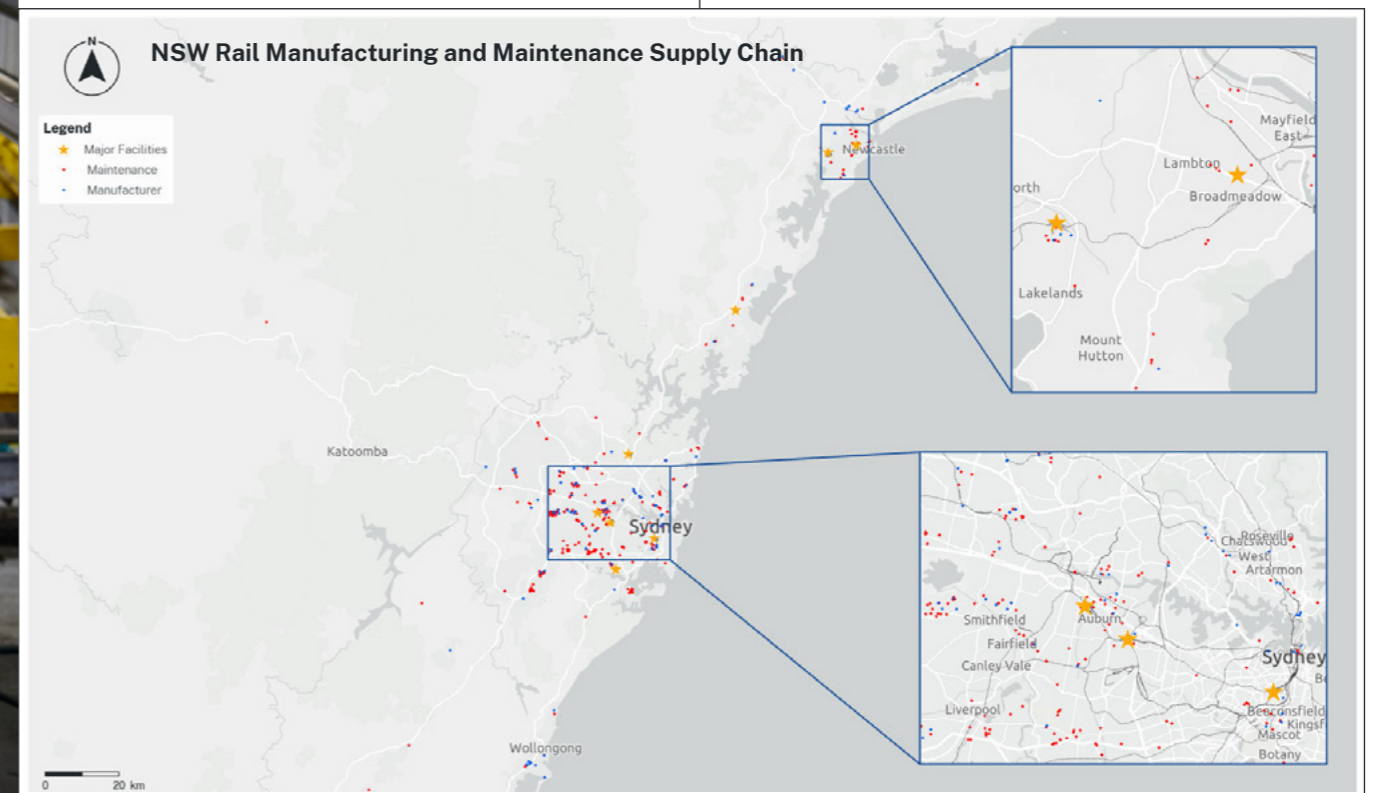
50%

Local Content Target in  
Rolling Stock Contract



50%

Local Content Target in  
Through Life Support Contract



# Need for Change

The Rail Infrastructure and Systems Review has highlighted the impacts of ageing infrastructure and rolling stock on the reliability and resilience of the rail network. Ageing rolling stock is more susceptible to failure and can lead to increased operational delays and higher maintenance and repair costs.

## Rail Infrastructure and Systems Review

The New South Wales Government has accepted in-principle all recommendations of the Rail Infrastructure and Systems Review and these will shape the design, build, operation, and maintenance of the future suburban passenger fleet.

Enhanced fleet management across the asset lifecycle can also help address issues of performance and ensure resilient and reliable network operations that meets passenger needs. With effective asset management, modern rolling stock can operate reliably and safely beyond the 30 to 35-year design life typically nominated in rolling stock contracts.

## National Rail Procurement and Manufacturing Strategy

The National Rail Procurement and Manufacturing Strategy highlights structural challenges facing the domestic rail industry in developing a pipeline of local work. These include typically infrequent and large order volumes creating uncertainties for industry in committing to long-term investment.

The New South Wales Government shares in the national ambition to revitalise domestic manufacturing. This Guidance provides industry with certainty of a long term pipeline of New South Wales Government investment in the suburban passenger fleet over the next 30 years with the aim of providing ongoing work for local manufacturers and attracting private sector co-investment in rail manufacturing.

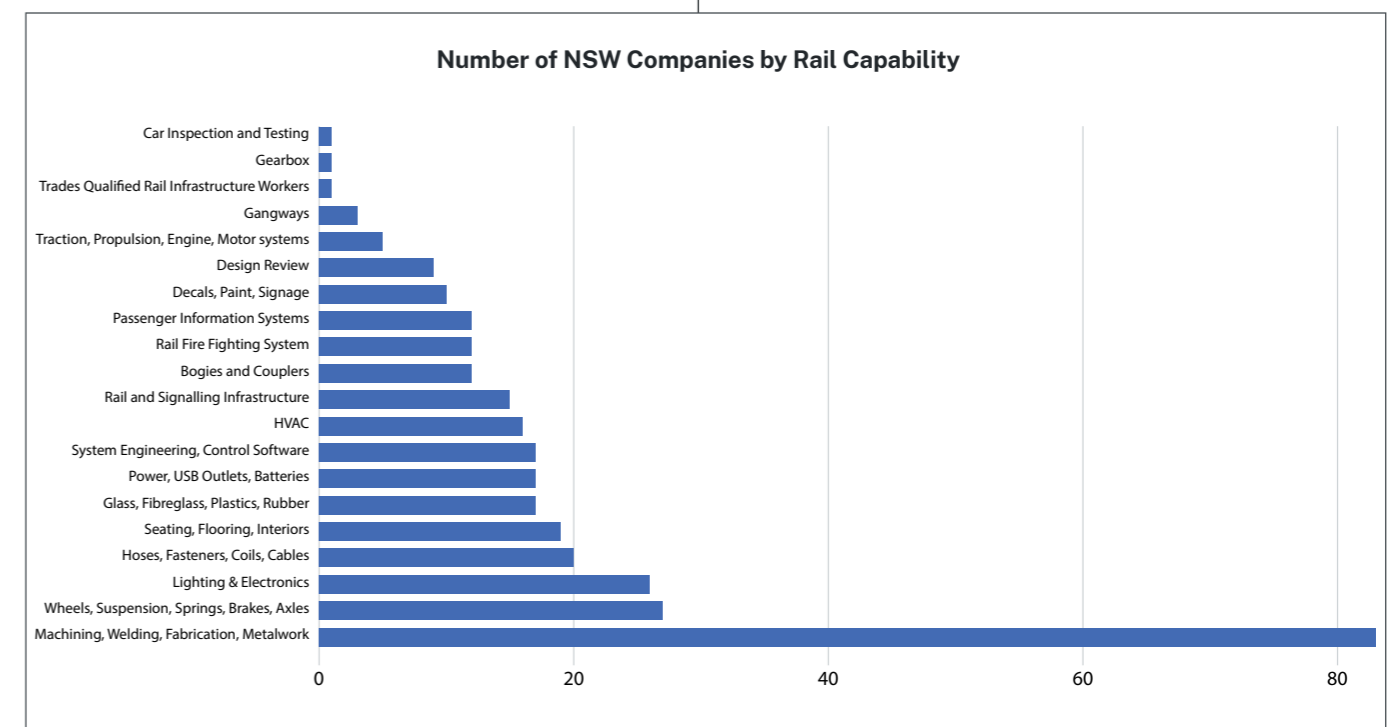
Future Fleet Program joins major rail manufacturing initiatives underway in Victoria, Queensland, and Western Australia, as well as nationally through the National Rail Procurement and Manufacturing Strategy.

Transport for NSW has been working closely with industry, unions, across government, and other jurisdictions to coordinate and harness the combined power of public investment in rail to support domestic manufacturing. This includes:

- better understanding existing rail manufacturing capabilities and strengths across NSW
- providing industry with visibility of train manufacturing needs, including the long-term pipeline in NSW
- taking a long-term view of NSW's future fleet needs to flatten the boom or bust investment cycle and establish a steady stream of ongoing rail manufacturing activity
- leveraging procurement power in support of domestic manufacturing by including an ANZ local content target in NSW rolling stock contracts
- harmonising standards for key components to support domestic manufacturers build economies of scale
- attracting and growing the next generation of train builders by creating new training pathways

New South Wales rail manufacturers are in a strong position to compete nationally and internationally, particularly in the manufacture of high-tech and high-value components including wheels, axles, bogies, Heating Ventilation and Cooling (HVAC), and Passenger Information Systems (PIS). This reflects NSW's competitive advantage in engineering, R&D, and advanced manufacturing. There are also opportunities for NSW businesses to expand and apply their capabilities to other rolling stock manufactures including buses, ferries, and light rail.

A 50 per cent local content target will ensure a consistent stream of work for Australian and New Zealand companies. NSW-based businesses are ideally positioned to take part in Future Fleet Program given competitive advantage and strong capability in rail manufacturing.



# Future Fleet Outcomes

Major changes to rail technology and systems, fleet, and infrastructure over the next decade and beyond have the potential to transform operational efficiency, service delivery, and passenger experience across the heavy rail network. This Guidance to industry outlines key outcomes and priorities for the future suburban passenger fleet. It is intended to support NSW industry build the capabilities to deliver a world class and modern next generation of fleet that meets passenger, network, operator and maintainer needs into the future.



Research with Sydney rail passengers consistently identifies more frequent and reliable trains with faster journey times as the most significant priorities along with safety.



The next generation of New South Wales suburban passenger trains will need to be resilient to technology changes, evolving customer needs, and operate reliably on the network until at least the 2060s.

The principles of equity, inclusion, and safety across the NSW transport system will guide the New South Wales Government's future investments in the suburban passenger fleet.

## Passenger Access and Experience

The New South Wales Government will partner with industry to design and deliver world class, modern fleet that is accessible and safe for all passengers, including those with different abilities. The fleet will provide more choice for passengers in the carriage environments they experience when travelling across the network and meet design standards for the safety and security of all users, regardless of age or ability.

The future fleet needs to accommodate an ever-growing range of passenger needs from outer metropolitan to inner urban destinations. As passenger needs change across the network, the design of the fleet may need to change with them. The New South Wales Government will invest in fleet that is designed for resilience and which meets the needs of different passenger and journey types, ensuring it is accessible for everyone.

## Design Innovation and Standardisation

Different design specifications for the suburban passenger fleet can achieve different outcomes for passengers, operations, maintenance, and industry. Whilst the crew cab and key components in the base

rolling stock platform can be standardised, there is opportunity for innovation in carriage designs to provide more choice for passengers. The New South Wales Government will encourage carriage design innovation whilst standardising common parts to create a more modular and flexible fleet for passengers that also meets operator, maintainer, and industry needs for efficiency and economies of scale.

## Net Zero and Circular Economy

The transport sector in NSW is a major contributor to carbon emissions, accounting for approximately 24 per cent of the state's total emissions. By 2030, Transport will be the largest emitting sector. Transport for NSW is committed to reducing the environmental impacts of the network, to reach an overall goal of zero emissions by 2050, including zero emissions from operations and fleet by 2035 and zero embodied emissions by 2045. Already substantial progress has been made towards the 2035 goal with grid supply of the electrified rail network now 100% renewable energy.

To fully realise the Net Zero goals, the New South Wales Government will improve the sustainability of rolling stock by replace ageing, less-efficient trains with new, more-efficient ones. Trains that are lighter are more energy efficient and when paired with modern traction systems and regenerative braking can further improve emissions across the network. The New South Wales Government will invest in a

suburban passenger fleet that uses recycled local materials during construction and adopts circular economy principles across the asset lifecycle to promote decarbonisation and reduce embodied emissions.

### Systems and Technology

Transport systems and technology are changing rapidly, offering potential to unlock significant efficiency, safety, and passenger benefits. Upgrades to digital communication systems are already improving network resilience as well as the quality of passenger information when disruptions inevitably occur.

The New South Wales Government will invest in fleet that is resilient to future changes in systems and technology. Transport for NSW will work with industry to promote best practice technology adoption and ensure the future suburban passenger fleet can be adapted to take advantage of the latest rolling stock systems and technologies when they emerge.

### Advanced Manufacturing and Maintenance in NSW

The New South Wales Government is embarking on a transformational program of investment in the suburban passenger fleet that will support the resilience and diversity of the NSW economy. Manufacturing hubs across NSW are transitioning towards advanced manufacturing and more modern methods of construction including automation, modularisation and prefabrication, digital engineering, and design for manufacture and assembly. The New South Wales Government will look to industry to leverage these capabilities in designing, building, and maintaining the next generation of suburban passenger fleet for NSW.

The New South Wales Government will harness the local supply chain to get value for money across the asset lifecycle from manufacture through to maintenance. Investment in new fleet will be matched with investment in our workforce and training, modern facilities with high productivity plant and equipment, and network upgrades to support fleet operations. This will enable better maintenance planning and more modern maintenance practices, such as condition-based and predictive approaches, to increase maintenance capacity and network resilience.



## Rolling Stock in NSW

As the NSW rail network has grown over time, the number of fleet types has expanded.



As the NSW rail network has grown over time, the number of fleet types operating across the network has expanded. Across the fleet portfolio, there are different levels of passenger amenity, varying build qualities, and an array of systems and technologies in use - often with bespoke operating and maintenance requirements.

Today, there are 11 different fleet types on the network including some manufactured in the 1970-1980s before the advent of the advanced systems and technologies which exist today.

Operating a multitude of fleet types creates challenges for passenger experience, limits operational and maintenance efficiency, and can make the work environment challenging for crew. It also hampers network resilience as some fleet cannot operate on all parts of the network, providing limited options to substitute one fleet with another in the event of breakdowns and preventing better incident management and recovery.



## Overview of Existing Fleet

Sydney Trains and NSW TrainLink currently operate and maintain 11 different types of train in partnership with industry:

**K Sets** – Introduced between 1981 and 1985. The 19.5 eight-car sets are the oldest in Sydney Trains’ fleet. They are maintained at Flemington and Auburn.

**Tangara (T sets)** – Manufactured in Newcastle and introduced to service between 1988 and 1995. The fleet comprises 55 eight-car sets and is maintained at Mortdale and Auburn. The Tangara include almost 40% local content.

**Millenium (M sets)** – Introduced in 2002, these trains were the first private design, build, and maintain contract. The fleet comprises 17.5 eight-car sets and is maintained at Auburn and Cardiff.

**Waratah A and B sets** – The fleet first entered service in 2011 and now comprises 119 eight-car sets that are maintained at Auburn and Cardiff. The initial 78 Waratah A sets included almost 30% local content.

**OSCar (H sets)** – Introduced from 2006, the electric fleet comprises 27.5 eight-car sets and is maintained at Eveleigh. A significant amount of the fleet was manufactured and assembled in Taree and Newcastle.

**InterCity Fleet (V sets)** – Built between 1970 and 1989, this fleet comprises 25.5 eight-car sets and is maintained at Flemington and Auburn. The V sets are expected to be replaced by the 610-car Mariyung Fleet.

**XPT** – First entered service in 1982, this fleet of 19 sets is maintained at the Sydenham Maintenance Facility.

**XPLORER cars** – First entering service in 1993, the 23 carriages are maintained at Eveleigh and Broadmeadow.

**Endeavour cars** – First entering service in 1994, this diesel fleet of 15 sets is maintained at Eveleigh and Broadmeadow.

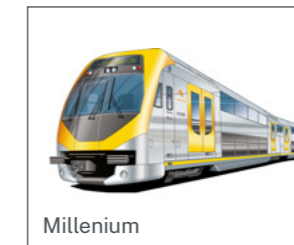
**Hunter cars** – Built between 2006 and 2007, this diesel fleet comprises 7 two-car sets, maintained at Broadmeadow.



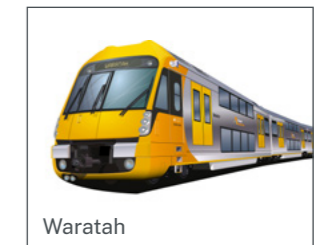
K Set



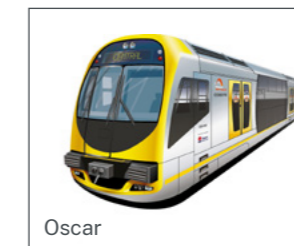
Tangara



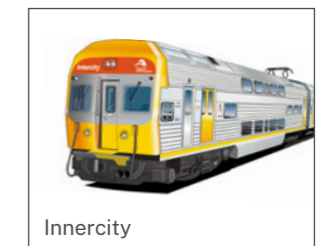
Millenium



Waratah



Oscar



Innercity



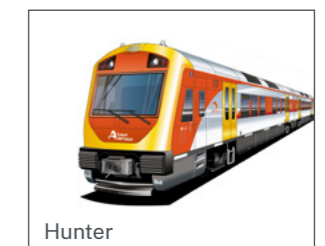
XPT



XPLORER



Endeavour



Hunter



## Outer Suburban Cars

New South Wales has a long history of suburban passenger rail manufacturing including the Tangara, Millennium, Waratah A, and Outer Suburban Car (OSCar) fleets.

Commencing in 2003, 221 double deck electric passenger OSCar cars were built locally over four stages to 2013. The OSCars replaced the ageing V-sets and bolstered Sydney Trains' capacity to accommodate surging demand for suburban rail services whilst elevating fleet reliability, accessibility, and comfort for passengers.

Strong collaboration and teamwork between rail agencies and industry orchestrated the project's success. Significant manufacturing activity took place in Newcastle and Taree with over 30,000 hours of work across the design, manufacture, assembly, testing and commissioning phases.

Over 4,850 components and materials sourced from 492 suppliers were brought together to deliver a new train every four weeks at peak production. Essential components like chassis, body structures, interiors, and electrical systems were manufactured in Australia, highlighting the breadth of local capability. The local supply chain also played a key role in the ongoing maintenance of the OSCar fleet. Strategic partnerships with local manufacturers strengthened the supply chain, reduced reliance on imports, and boosted the regional economy.

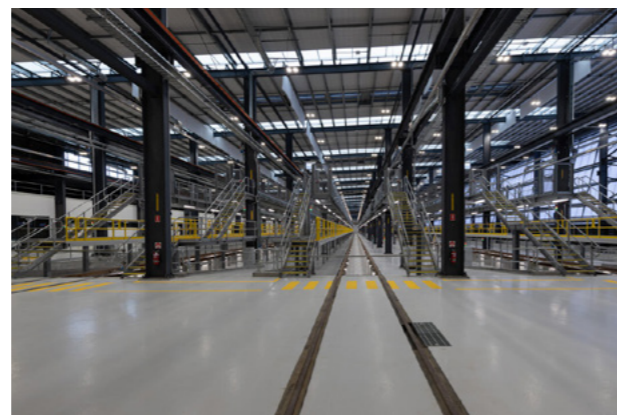
The OSCar project resulted in significant local and regional economic development with over 200 direct jobs in manufacturing created, along with a further 200 across the supply chain. The OSCars have become a fixture on Sydney's rail network. Each train accommodates 432 seated passengers and up to 280 standing, helping to meet the region's transit needs. The project stands as a compelling example of how innovation, collaboration and determination can be harnessed to support local manufacturing.

## New Intercity and Regional Fleets for NSW

Unprecedented investment in renewal and expansion of New South Wales' regional and intercity passenger fleets is being supported by new world class maintenance facilities as well as upgrades to network infrastructure to enable fleet operations.

The 610-car electric **Mariyung Fleet** will replace the **InterCity Fleet (V sets)**. These state-of-the-art trains offer improved accessibility, safety, comfort, and modern features. Selected parts of the trains have been delivered by Australian suppliers with final fit out, testing and commissioning underway at the new Kangy Angy Maintenance Facility on the Central Coast, NSW. The purpose-built facility will create around 120 new long term jobs.

**The Regional Rail Fleet** will replace the current fleet of XPT, XPLOER and Endeavour trains with 29 new bi-mode diesel / electric powered trains. These modern trains will provide improved safety, accessibility, amenities, and reliability for regional customers. To support the fleet, a new purpose-built maintenance facility named Mindyarra has been built at Dubbo, NSW. The project is providing regional workers with opportunities for skills development and will create around 50 new long term jobs.



## Long Term Suburban Passenger Fleet Pipeline

The New South Wales Government is in the early phases of planning a long-term pipeline of investment in the suburban fleet to support a world class heavy rail network for passengers.

Taking a long-term view of NSW fleet needs provides opportunity to deliver better network and passenger outcomes, create a more consistent fleet portfolio, and establish an ongoing stream of work for local industry to revitalise domestic manufacturing.

Additional fleet volumes beyond the existing 30 year replacement pipeline (Figure 2) may be required to meet future growth needs as the New South Wales Government works to make public transport more attractive and more people shift to rail as their first choice for travel.

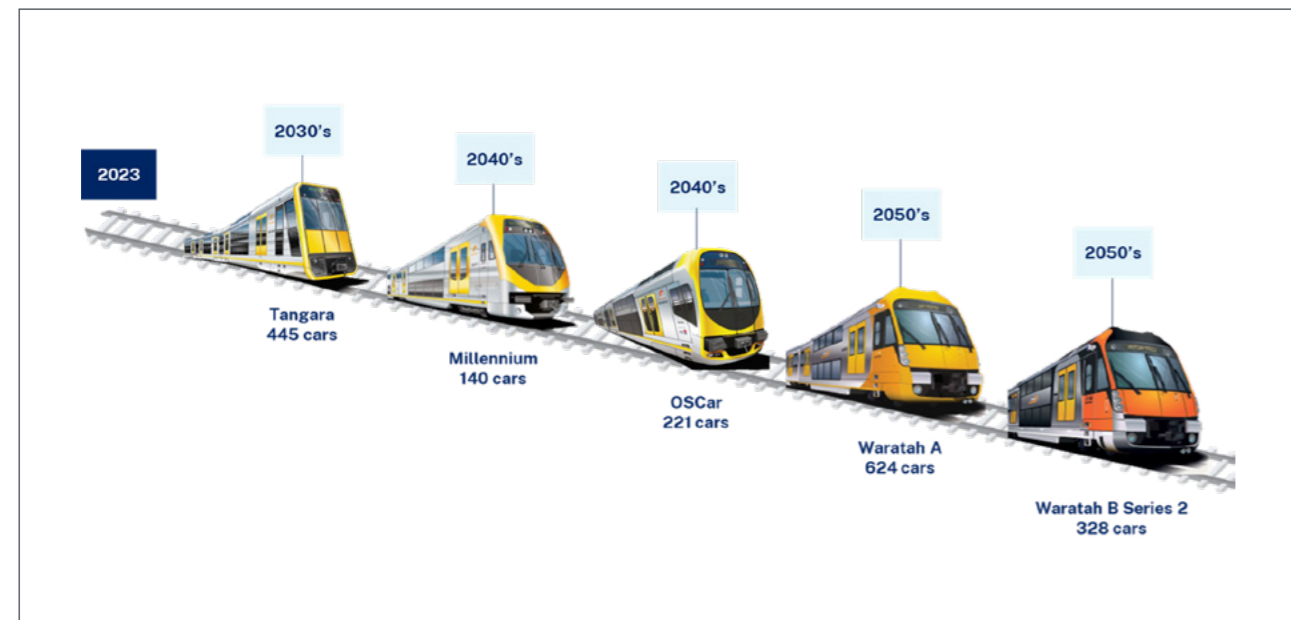
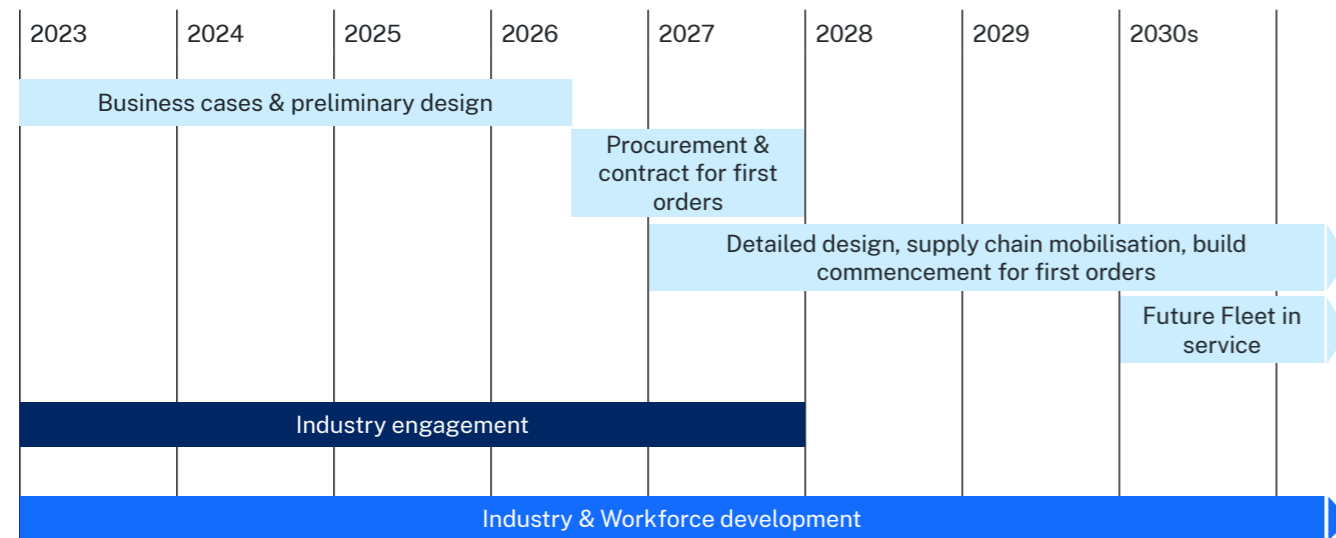


Figure 2: Long Term Suburban Passenger Fleet Replacement Pipeline, based on nominated design life



## CASE STUDY

### Future Fleet Program

The New South Wales Government will commence procuring replacements for the ageing suburban passenger fleet from 2027. Future Fleet Program covers 1,500 cars over 30 years as well as the supporting facilities and network infrastructure to enable operations.

This first round of orders from 2027 will mark the start of a transformational program of investment in local rail manufacturing stretching over several decades as each of the current fleets are retired. Across the Program's 30 year timeline, there will also be opportunities for local industry to participate in major refurbishments to extend the life of some fleet before they are retired.

The replacement fleets will include at least 50% ANZ local content. NSW-based businesses are expected to play a significant role given their strong capability and competitive advantage in rail manufacturing.

Future Fleet Program will assess options for the optimal asset lifecycle for each fleet, and then determine the sequencing of investment in replacement and refurbishment to drive best value for money for NSW taxpayers. The New South Wales Government is committed to updating industry on the preferred asset lifecycle, investment sequence, design specifications, and order volumes for each fleet once determined.

Whilst Future Fleet Program commences planning the long-term pipeline, there is an immediate need to extend the life of the 55-set Tangara fleet to maintain reliability for passengers. This will provide time for industry to mobilise to commence delivery of the first tranche of double deck suburban passenger train replacements with construction expected to commence in the late 2020s and continue for several years.. Future Fleet Program will then manage the longer-term pipeline of suburban passenger fleet replacement and refurbishment so that local rail manufacturing activity is sustained through the 2050s.

As Future Fleet Program develops design specifications for a double deck rolling stock solution operated by a two-person crew, a key aspect will be working with industry to determine an optimal production rate to underpin ongoing local manufacturing activity for the long-term pipeline.

The New South Wales Government will also work with industry and government partners to determine workforce and industry development initiatives needed to support expansion of rail manufacturing capabilities and capacity in NSW to service the long-term pipeline.

# Key Directions for Fleet

## Made Locally for NSW

The New South Wales Government will invest in a suburban passenger fleet with at least 50% Australia and New Zealand local content, and which creates opportunities for NSW businesses, jobs, and apprenticeships across the supply chain.

## Passenger Accessibility and Experience

The New South Wales Government will invest in a modern suburban fleet that is accessible for all passengers and meets the needs of a range of passenger and journey types across the suburban network.

## Design Innovation and Standardisation

The New South Wales Government will invest in innovative and flexible fleet designs that meet passenger needs whilst standardising base platform components to enable economies of scale during manufacture and operational and maintenance efficiencies.

## Net Zero and Circular Economy

The New South Wales Government will invest in fleet that realises Net Zero aims, embeds Circular Economy principles across the asset lifecycle, and decarbonises the fleet by using recycled materials.

## Reliability and Performance

The New South Wales Government will invest in fleet that is designed for, performs reliably on, and minimises the need for substantial change to existing suburban network infrastructure.

## Systems and Technology for Productivity

The New South Wales Government will invest in fleet that is enabled for the latest systems and technologies, and partner with industry to realise productivity benefits through advanced manufacturing.

## Operations and Maintenance Efficiency

The New South Wales Government will invest in fleet that supports more efficient operations and maintenance practices, and support the workforce to implement the latest maintenance approaches.

## World Class Infrastructure and Depots

The New South Wales Government will invest in fleet that is fit for purpose and designed to run on the network, and ensure the right facilities and depots are available to support reliable and efficient operations and maintenance.

## Leveraging Procurement for Value for Money

The New South Wales Government will achieve Value for Money through the procurement by ensuring investment in fleet realises benefit for the NSW economy across the asset lifecycle.



# Commitments to Industry

## Commence Procuring Replacements by 2027

Subject to investment decision, the New South Wales Government will commence by 2027 the procurement process for the first tranche of double deck suburban passenger train orders.

## World Class, Modern Fleet

The New South Wales Government is committed to investing in design and manufacturing innovations that deliver a world class, modern suburban passenger fleet that is fit for passengers, workforce, and network.

## Visible Long-Term Pipeline

The New South Wales Government will update the long-term pipeline of fleet needs, including expected order volumes, design specifications, and construction dates to support industry plan, expand capabilities, and mobilise to deliver.

## Local Content Target

The New South Wales Government has set a 50% minimum ANZ local content target across the long-term pipeline, starting with the first fleet replacement in 2027. The target will be a minimum requirement in rolling stock contracts and any Through Life Support agreements.

## Engage Industry, Supply Chain, and Workforce

The New South Wales Government will continue to engage across the full supply chain and workforce as part of this multi-generational program of investment. This includes providing timely information on Future Fleet Program's progress to local industry and working with government partners on supporting initiatives.

# Enabling Industry

Transport for NSW and Sydney Trains have been engaging unions, industry, workforce, and other jurisdictions over the last 12 months to understand what is needed to revitalise domestic rail manufacturing.

The commitments the New South Wales Government has made are a first, pivotal element to deliver the vision for world class, locally built modern fleet. Collaboration will continue over coming years to get key enablers in place and work has already started on these.



## Collaborative Design and Procurement

In 2023, Transport for NSW partnered with the Commonwealth Government to co-host the Future of Rail Manufacturing Symposium in Western Sydney. This event signalled a more collaborative way of working with the sector to revitalise domestic rail manufacturing. Future Fleet Program will continue bringing stakeholders together to collaboratively design and procure the next generation of suburban passenger trains and provide timely information so industry can understand requirements early and plan for delivery.

## Future Fleet Supply Chain

A strong local supply chain with the right capabilities and sufficient capacity is critical to deliver the long-term pipeline of suburban passenger train refurbishment and replacement activity. The New South Wales Government will continue to work with organisations such as Industry Capability Network NSW to understand local supply chain capabilities, and support opportunities for NSW rail businesses to grow and innovate in the products they manufacture. Already, Transport for NSW and Sydney Trains are transforming engagement with local industry through more direct connections into and across the supply chain.

## Workforce Development

Future Fleet Program and other train manufacturing initiatives across Australia require a new generation of skilled manufacturing workers. Ensuring enough qualified workers are available to service future demand is a key enabler of the long term pipeline, along with investment in the workforce to operate and maintain the next generation of suburban passenger trains for NSW.

Inspiring, attracting, and training a new generation of workers into rewarding and secure careers in rail will bring long term benefits to the NSW economy and communities. Early work has started with industry, unions, government, and training partners on initiatives to ensure the right size workforce with the right skills is available at the right time to support future fleet manufacture, operations, and maintenance.

## Industry Development

The New South Wales Government's commitment to invest in a long-term pipeline of locally made trains provides a strong incentive for the private sector to co-invest in boosting New South Wales' transport manufacturing capabilities and capacity. The New South Wales Government will work with industry, workforce, and government partners to explore opportunities to leverage initiatives such as the National Reconstruction Fund to expand local capability and capacity to match growing investment in the NSW suburban passenger fleet.



## CASE STUDY

## Future Fleet Supply Chain Mapping and Direct Sourcing

Working with Industry Capability Network New South Wales (ICNNSW), Transport for NSW has been mapping manufacturing capabilities across the NSW supply chain. To date, this work has identified hundreds of businesses across NSW with capability to contribute to designing, building, and maintaining the next generation of suburban passenger fleet. Over coming years, manufacturing businesses across NSW are encouraged to register interest with ICNNSW to stay up to date on Future Fleet Program.

Simultaneously, Sydney Trains is in the process of transitioning some heavy maintenance activity to an internal delivery model. This provides an opportunity to further leverage government procurement power to ensure more locally made products are used in maintaining the current fleet. To date, over 150 new direct supply arrangements have been established with local manufacturers across Australia, including over 100 NSW-based businesses.

# Next Steps

The New South Wales Government is committed to a more collaborative approach to rolling stock design and procurement and leveraging its procurement power in support of domestic rail manufacturing.

A strong local rail manufacturing pipeline will enable NSW businesses to develop capabilities and skills that are in demand in other states and globally. Greater integration of NSW manufacturers into global value chains can create new opportunities in value-adding activities and be a catalyst for growth across other industries in NSW.

Supporting the transfer of skills to the next generation will ensure NSW maintains and grows its manufacturing capabilities. Greater local capability will increase the resilience of the supply chain, reduce the risk of impact from geopolitical changes and events, deliver value for money for NSW taxpayers, and long term benefits in the form of secure and rewarding careers in the rail sector.

Stakeholders can expect the following activities over coming years as Future Fleet Program works towards delivering the next generation of suburban passenger trains for NSW in partnership with local industry:

- **2024**
  - Assessment of asset lifecycle options for existing suburban fleet
  - Engagement with industry on workforce and industry development needs to support local rail manufacturing
- **2025**
  - Confirmation of preferred asset lifecycle for current suburban passenger fleets
  - Initial indication of order volume for first double deck suburban passenger train replacements
  - Design scoping with industry for New South Wales next generation of double deck suburban passenger trains
- **2026**
  - Confirm design scope for New South Wales next generation of double deck suburban passenger trains
  - Subject to future New South Wales Government investment decision, commence procurement of first orders for double deck suburban passenger train replacements
- **2027**
  - Procurement of first orders for next double deck suburban passenger trains