

FACT SHEET:

RAIL SUPPLY CHAIN



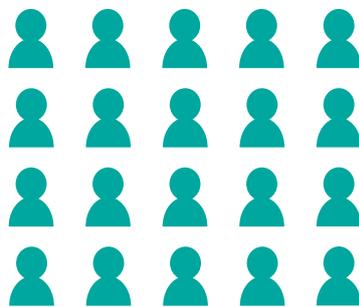
The Australian rail industry generates almost \$30 billion in economic activity every year, supporting 165,000 direct and indirect jobs. While rising investment in recent years has supported the industry's growth, changes are needed to ensure the long term sustainability of the rail supply chain.

AUSTRALIA'S RAIL SUPPLY CHAIN IS DIVERSE

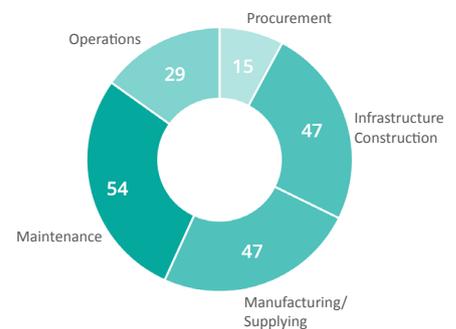
Rail businesses are located nationally, with a high proportion based in NSW and Victoria.



A third of businesses surveyed have less than 20 employees.



Most businesses work in maintenance, manufacturing or construction.



CHANGE IS NEEDED TO SECURE RAIL'S LONG TERM FUTURE



A fragmented market makes it harder for businesses to innovate and grow.



Funding models favour other transport modes.



Procurement and local content policies are complex and disjointed.

THE POST-COVID RESPONSE PROVIDES AN OPPORTUNITY FOR GROWTH



Adapting to changing requirements has accelerated technology adoption.



There is stronger support for local manufacturing and supply to boost resilience.



More flexible work patterns are increasing the appeal of rail careers.



CREATING A STRONG RAIL SUPPLY CHAIN FOR THE LONG TERM

More than \$14 billion in rail construction activity is planned over the next five years – more than double what we saw at the peak of the mining boom. That’s why it is more important than ever that we take action to make sure the industry is ready to make the most of Australia’s next big boom.

NINE ACTIONS TO DRIVE GROWTH ACROSS THE RAIL SUPPLY CHAIN



1. Common objectives in planning, procurement and policy

Provide clearer visibility of the project pipeline and create nationally consistent regulations and procurement processes.



2. Procurement reform

Deliver streamlined tendering, fairer risk allocation and collaborative procurement models that make it easier for rail businesses to tender and propose new solutions.



3. A national local content policy

Create a single Australian rail market that gives businesses the scale they need to innovate and grow.



4. Review regulation

Reduce duplication and the time taken to obtain accreditations, while advancing pricing reform to ensure transport assets are funded and operated consistently.



5. Drive technology and innovation

Recognise and reward innovation through a national approach that fosters collaboration between industry, government and education institutions.



6. Promoting rail

Position the Australian rail industry as a leading contributor to the global rail market.



7. Skills development

Invest in on-the-job training and a national competency scheme to make it easier for people to work in rail. Smooth the project pipeline to support ongoing employment and wages growth.



8. Sustainable rail funding

Provide a clear and transparent national project pipeline that considers a range of funding models to meet demand.



9. Environmental sustainability and the circular economy

Review policies, planning and project selection criteria to better support sustainable energy strategies, the use of recycled materials, and setting of circular economy objectives.