

# **BRIEF REPORT ON COMMUNITY BENEFITS TO THE HUNTER IN EXECUTING THE NSW GOVERNMENT TRANSPORT PLANS**

## **EXECUTIVE SUMMARY**

**Contracts for the construction of new ferries, buses and trains could be secured and executed in the Hunter which would have the following benefits:**

- 1. Estimated \$4bn expenditure required over 10 years**
- 2. 1200 new jobs involving design, production and management benefitting the local community to the tune of \$1.3bn in wages and salaries**
- 3. For each new job there is a multiplier effect of through the industrial community for the supply of materials and specialty services of approximately 3**
- 4. Raw materials and specialist components to be supplied in excess of \$1bn will also have economic flow on effects**

## **SYDNEY FERRIES**

### **CONSTRUCTION FORECAST**

Sydney Ferries are planning to replace and rationalise their aging fleet with an expectation to design and construct two classes of ferries for a total build of 25 new vessels over the next 10 years. Based on these projections the likely employment effects are as follows:

<b>Ferries</b>			
<b>Year</b>	<b>Direct Labour</b>	<b>Design and Management</b>	<b>Total</b>
2010	0	19	19
2011	47	19	66
2012	47	19	66
2013	47	19	66
2014	47	19	66
2015	47	19	66
2016	47	19	66
2017	47	19	66
2018	47	19	66
2019	47	19	66

### **CAPABILITY**

There are several facilities in the Hunter that can manufacture the two classes of ferries planned for introduction. Forgacs in Tomago are well geared for this type of small shipbuilding and who have the skills and resources available to design and construct the planned number and rate of ferries. Thales - a French Corporation - acquired ADI (who built the mine hunters) approximately two years ago who have enormous technical resources globally, and who also have maintenance crews in the Hunter, now providing mine hunter in service support could also design and build the ferries. Other facilities within the Newcastle Port, such as the mine hunter build facility or the reconstructed workshops at the old State Dockyard site could also be adapted for ferry construction. Other experienced ship repairers such as Varley would also be in a position to manufacture and build the ferries in alliance with other specialists in the Hunter as they did for the Watercraft built by ADI after the mine hunters.

## **RAIL TRANSPORT**

### **PASSENGER CAR CONSTRUCTION FORECAST**

EDI Rail at Cardiff is currently the design and construction contractor for the Waratah class trains at a build rate of one per day. A total of 664 cars are planned to be constructed with an option of a further 160 likely to be built under a contract extension. If a slower rate of production can be established with the NSW Government, at a build rate of 1 in every two days then more local content can be accommodated. A further 72 Oscar class cars are also planned for construction by the second major train producer - United Group Rail. It is also likely that the Tangara class trains will be phased out when the Waratah class trains are in service which will provide these train manufacturers with additional contract opportunities.

This local content for a slower build rate for the Waratahs, the Oscar build program and a commencement of the Tangara trains is configured in the manning forecast below.

Rail			
Year	Direct Labour	Design and Management	Total
2010	420	128	548
2011	420	128	548
2012	177	43	220
2013	165	40	204
2014	165	40	204
2015	165	40	204
2016	165	40	204
2017	165	40	204
2018	165	40	204
2019	165	40	204

**NB: Manning levels do not include maintenance or refurbishment, nor facility upgrades.**

### **CAPABILITY**

As mentioned above there are two main builders of trains in the Hunter either one or a combination of the two can comfortably complete this forecast train build program

The supplier network and technical competencies available in the Hunter for parts manufacture and cabin fit-out can adequately support this type and rate of construction.

## **BUSES**

### **CONSTRUCTION FORECAST**

The basis of the forecast is 1,000 new buses equally over the next ten years.

<b>Buses</b>			
<b>Year</b>	<b>Direct Labour</b>	<b>Design and Management</b>	<b>Total</b>
<b>2010</b>	769	138	906
<b>2011</b>	769	138	906
<b>2012</b>	769	138	906
<b>2013</b>	769	138	906
<b>2014</b>	769	138	906
<b>2015</b>	769	138	906
<b>2016</b>	769	138	906
<b>2017</b>	769	138	906
<b>2018</b>	769	138	906
<b>2019</b>	769	138	906

### **CAPABILITY**

The main facility in the Hunter for bus construction is the new Volgren plant at Tomago. Other manufacturers experienced in vehicle building could also be engaged such as Varley, who are also located at Tomago.

The supplier network and technical competencies in vehicle building of this nature available in the Hunter can adequately support this type and rate of construction.

### **TOTAL MANNING PREDICTIONS – IMPACT ON THE HUNTER**

## Total Manning Forecast

