



Transport
for NSW

Newcastle Integrated Transport Market Testing Update

Presentation to Unions

27 January 2016

Background

- On 5 November 2015, the Minister for Transport and Infrastructure announced a market testing process for a new operator to plan and run an integrated transport network in Newcastle to support the introduction of Newcastle's new light rail line
- The market testing process has concluded
- We undertook to keep the unions informed about the industry engagement process, the timing of the Government's decision and transmission and transfer arrangements

Consultation to date

- On the day of the announcement :
 - the Deputy Secretary, People and Corporate Services, wrote to Unions NSW about the market testing process and the rationale for an integrated network
 - the Chief Executive of the STA met and briefed RTBU union officials, and
 - an email from the Chief Executive of STA was forwarded to all Newcastle staff
- The Chief Executive of the STA also met face to face with Newcastle staff the same day
- On 11 November, the Deputy Secretaries, Infrastructure and Services and People and Corporate Services, TfNSW met with representatives of Unions NSW, RTBU, MUA, ETU and Newcastle Trades Hall

Market Testing Outcome

- 12 local and overseas companies participated in the market sounding, including operators, rolling stock manufacturers and other industry providers
- All participants expressed strong support for the proposed integrated service offering
- Operators will be prepared to fully operate and maintain the integrated services
- Parties expressed interest in participating in service planning
- Parties were in favour of a model in which government retained ownership of assets

Next Steps

- The next step is for the Government to consider the outcome of the market testing and whether to proceed
- If a decision is made to proceed, the Minister's priority will be to ensure a smooth transition for staff and customers
- As previously discussed, the Government has committed to consultative arrangements with the unions
- We will meet with you by the end of February to discuss the timeline and process for any Request for Proposal and subsequent transition to a new operator and to establish the consultative mechanism, including a peak consultative group with the unions