High Speed Rail Authority

Statement of Expectations

2026

This Statement of Expectations (SoE) is issued to the High Speed Rail Authority (HSRA) by the Minister for Infrastructure, Transport, Regional Development and Local Government (the Minister). It replaces any previous statements issued to HSRA. The SoE may be updated by the Minister from time to time and applies to any subsidiary of HSRA, to the extent relevant.

HSRA is a Commonwealth statutory body established by the *High Speed Rail Authority Act 2022* (HSRA Act) with functions in relation to the high speed rail network and the high speed rail corridor. The Authority also has functions in relation to a faster rail network and additional rail corridors for that network. HSRA must perform its functions in accordance with any directions given by the Minister. HSRA is a corporate Commonwealth entity (CCE) for the purposes of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act).

This SoE outlines the Australian Government's expectations of HSRA in accordance with its statutory functions and obligations under the HSRA Act, the PGPA Act and related legislation and guidance materials (PGPA Requirements), other legislation applying to the entity and the Government's objectives, for the 'Development Phase' period from February 2026 to 30 June 2028.

The Government's High Speed Rail Priorities

The Government's priority remains delivery of a high speed rail network between Newcastle and Sydney as the first step towards a National High Speed Rail Network extending between Melbourne and Brisbane. Following foundational policy and planning advice contained in the Newcastle to Sydney High Speed Rail Business Case, the Government has provided funding to HSRA to undertake a development phase for stages 1A and 1B: Newcastle to Sydney Central of the Newcastle to Sydney high speed rail network (the Development Phase), from February 2026 to 30 June 2028.

The purpose of the Development Phase is to achieve cost and delivery certainty for Government for stages 1A and 1B: Newcastle to Sydney Central of the Newcastle to Sydney high speed rail network (the project), concurrent to industry engagement in design. HSRA will obtain environmental and planning approval for the first stage of delivery and also plan, over the Development Phase period, to secure the minimum viable property that would allow construction to begin, subject to funding through a future decision of Government.

At Development Phase completion there will be:

- well-developed project design, including the proposed alignment and station locations, with early contractor involvement incorporating utilisation of Advanced Manufacturing Facilities
- detailed definition of the scope of works for the project
- detailed cost plan and schedule to deliver the project

- independent assurance of HSRA's work on definition, cost plan and schedule
- verification of the benefits that the project will generate
- planning and environmental approvals for initial works packages required to move to construction, subject to a future decision of Government
- a proposed planning and environmental approvals strategy and timeline for all works packages required to deliver the project
- an agreed land acquisition strategy with key land requirements confirmed required to move to construction, subject to a future decision of Government
- provision of advice to the Government on the next steps to deliver the first stage of Australia's high speed rail network.

Subject to Government agreement, HSRA will be in a position to award major contracts finalised through the Development Phase. As part of the Development Phase a range of public and private funding and financing options are to be assessed and this work will inform a future government investment decision once project scope, cost and risk are finalised.

Any advice that the Government should invest in the project and commit funding to commence construction should be based on a detailed understanding and certainty of the costs and benefits of the project, delivery schedule and risks.

HSRA must preserve the Government's decision-making role in relation to high speed rail. Any contract that would place an obligation on the Australian Government beyond the development phase must not be entered into unless HSRA has first received agreement from the Minister.

Objectives

The Government expects HSRA to provide informed and evidence-based advice and recommendations to the Minister and other relevant parties on the delivery of high speed rail in Australia, through:

- providing advice on bilateral agreements between the Australian Government and NSW Government and supporting the progression and implementation of an agreement where necessary;
- consideration of the comments made by Infrastructure Australia on the 2024 Newcastle to Sydney Business Case and updating the Business Case;
- undertaking evaluations, research and gathering of information to provide robust advice on costs and benefits of delivery, emissions reduction and environmental impact mitigation strategies, funding and delivery models, standardisation of track and rolling stock and overall interoperability of the network across States and Territories; and
- as a lower priority, consultation with States and Territories and other relevant parties to identify future high speed rail corridors.

Expectations

- Probity

HSRA is expected to conduct its dealings with private industry and public sector counterparts with complete and informed integrity and transparency in all matters.

The solicitation, evaluation and negotiation of project bids must be conducted fairly and impartially, and in accordance with the highest standards of probity, consistent with the interest of the Australian public. The following probity principles apply throughout the procurement, construction and operation of HSRA projects:

- consideration of an appropriately competitive process;
- fairness and impartiality;
- consistency, transparency and accountability;
- identification and management of conflicts of interest; and
- appropriate security and confidentiality arrangements.

Where HSRA engages a third-party (e.g. a contractor), it must take into account the risks associated with that approach and, impose on them obligations in relation to the efficient, effective, economical and ethical expenditure of money.

- Procurement

HSRA is expected to implement and maintain high standards of probity and financial controls in connection with its procurements.

HSRA should have due regard to, and consider including conditions in procurement arrangements for: providing reasonable opportunity for participation in employment opportunities and procurement from Australian, local, regional and First Nations suppliers and ensuring due consideration to gender diversity; optimising recycled content in its projects to support Australia's transition to a circular economy; and optimising opportunities for trainees and apprentices, including achieving Australian Skills Guarantee targets.

- Model client and employer

HSRA is expected to ensure that management of any future construction projects, including throughout the supply chain on its future worksites, is representative of the Government's vision for industry and a safe, diverse and inclusive environment. This includes, but is not limited to, workplace culture, procurement and contracting and security of payments.

HSRA is expected to engage across Australian Government agencies and regulators to ensure best practices are being adopted in future high speed rail worksites.

Should HSRA become aware of any allegations or instances of criminal behaviour or corruption related to its procurement and construction activities, these should be reviewed and reported to the relevant regulator and the Department.

- First Nations Australians

HSRA is expected to support the Government's commitments under the National Agreement on Closing the Gap through its operations and activities. Where possible, HSRA should strengthen partnerships and shared decision-making with Aboriginal and Torres Strait Islander peoples and organisations, improve cultural capability and organisational responsiveness, and contribute to improved outcomes and Closing the Gap objectives.

To support these objectives, HSRA should develop, maintain and implement a current Reconciliation Action Plan (RAP) endorsed by Reconciliation Australia and aligned with its framework of relationships, respect, opportunities and governance. The RAP should include clear, measurable and reportable actions and targets to strengthen Aboriginal and Torres Strait Islander participation in

employment, training, procurement and supply chains, supported by appropriate implementation and monitoring arrangements.

HSRA should monitor, review and renew its RAP on a regular basis to ensure its reconciliation commitments remain current, practical, genuine and accountable. As the organisation's reconciliation maturity develops, the RAP should progress through the appropriate stages of Reconciliation Australia's framework; Reflect, Innovate, Stretch and Elevate.

- Net Zero emissions

HSRA should deliver greenhouse gas emissions reductions consistent with meeting or exceeding the Government's commitment to Net Zero emissions by 2050. HSRA should work with the rail industry and other stakeholders to support adoption of technologies to reduce carbon emissions.

Working with Stakeholders

HSRA will engage constructively and collaboratively with its stakeholders, including Commonwealth, state and local government agencies, corporate entities, Indigenous communities, business and environmental groups, union representatives, industry peak bodies, regulators, and the broader public. HSRA should seek, and have regard to, views on communities needs in undertaking detailed planning and delivery of the proposed network, including its interoperability with existing infrastructure.

HSRA's communications strategy should consider the suitable timing of engagement with stakeholders and communities to identify any potential issues associated with the project. The strategy should also identify opportunities for stakeholders and communities to provide feedback to HSRA for consideration as part of the Development Phase.

HSRA has responsibility to support coordination and negotiation with States and Territories to ensure successful collaboration and dialogue between federal, state and local governments. This may include participating within multi-level, inter-governmental consultation forums or bilateral agreements to facilitate a nationally focused pathway for delivery.

HSRA should engage with industry and experts in Australia and internationally to ensure advice and recommendations represent best-practice with regards to network design, costing and delivery, as well as interoperability, technology, safety and sustainability.

The Government expects HSRA and the Department of Infrastructure, Transport, Regional Development, Communications, Sport and the Arts (the Department) to maintain a close and productive working relationship to support the Department's role in advising the Minister on policy, budget and other matters in relation to high speed rail, where appropriate. This should include agreement and maintenance of an appropriate *High Speed Rail Authority Performance and Reporting Framework.*

Transparency, Governance and Accountability

As the accountable authority of HSRA, the Board is expected to meet the highest standards of transparency, governance and accountability expected of corporate Commonwealth entities.

The HSRA Board is accountable to Parliament, through the Minister for:

- The performance of HSRA, including (but not limited to) promoting:
  (1) the proper use and management of Commonwealth resources;
  (2) the achievement of the objects and/or purposes of the Company; and
  (3) financial sustainability.
- Internal governance of HSRA, including (but not limited to) establishing and maintaining:
  (1) an appropriate system of risk oversight and management including in respect of cyber security risks; and
  (2) an appropriate system of internal controls.
- Setting strategic direction, organisational leadership and establishing and maintaining a culture that meets the high standards expected by the Australian public in relation to (but not limited to):
  (1) efficient, effective, economical and ethical expenditure of money;
  (2) proactive and open disclosure of information that is reasonably in the public interest;
  (3) adhering to best practice principles and guidelines that extend beyond strict legal obligations (e.g. probity and value for money);
  (4) creating an engaged results-orientated staff culture that minimises unplanned turnover;
  (5) setting a transparent remuneration structure that ensures executive remuneration is appropriately aligned to key performance indicators.

The HSRA Board is accountable for the timely and accurate provision of information, including (but not limited to):

- Corporate planning, which is to be carried out in accordance with applicable regulatory obligations. The Corporate Plan must set out how the activities of HSRA will contribute to achieving the Government's priorities and objectives, which have been provided in this statement. Any information necessary for consideration of these plans should be available to the Minister and the Department. HSRA should promptly disclose to the Minister and the Department any material variance from its Corporate Plan assumptions or forecasts, along with any significant decisions or issues that may affect the entity.
- The obligation to keep the Minister informed of the activities and performance of HSRA. HSRA should submit quarterly performance reports to the Minister that provide an update on activities undertaken for the previous quarter to deliver 'The Government's High Speed Rail Priorities', including financial performance. Once HSRA has developed its Corporate Plan, the quarterly performance reports will report against the key performance indicators outlined in the Corporate Plan.
- Advising the Minister should HSRA become aware that it will be unable to deliver the Government's High Speed Rail Priorities within the parameters set out in either the Corporate Plan or this statement.
- Reporting to the Minister on risk, including emerging risk, as part of regular performance reports. The Government expects that HRSA will continue to strengthen its engagement with Government agencies on risk.
- Reporting to the Minister on the development of HSRA's organisational capability.
- Providing reasonable additional reporting if requested by the Minister or the Department.

The Government expects HSRA representatives appearing before the Parliament to have a detailed understanding of their duties in accordance with the *Government Guidelines for Official Witnesses before Parliamentary Committees and Related Matters* (Parliamentary Witness Guide).

Where the HSRA Board delegates its powers, or authorises an employee or third party to exercise those powers, such arrangements must be clearly documented and recorded.

The Hon Catherine King MP

Minister for Infrastructure, Transport, Regional Development and Local Government