



GOVERNMENT OF
WESTERN AUSTRALIA

Western Australian iron ore railcar wagon and component manufacturing

Boosting local manufacturing, local content and local jobs

OCTOBER 2022



Industry development

The WA Government is supporting the development of a competitive iron ore railcar wagon manufacturing and service industry in Western Australia.

As a WA Jobs Plan initiative, this support forms part of the WA Government's election commitment to boost local manufacturing to create more jobs in Western Australia.

Local manufacture of iron ore railcar wagons are central to the WA Government's commitment to revive the State's manufacturing sector.

WA businesses have the capacity and capability to successfully contract to Pilbara iron ore producers which is to their advantage in diversifying supply chains and reducing emissions.

The size of this market is illustrated by a combined total of 32,000 iron ore railcar wagons currently operating in the Pilbara.

The establishment of the Iron Ore Railcar Wagons Manufacturing and Maintenance Action Group (the Action Group) outlines the WA Government's commitment to the local steel fabrication industry and supporting industries to establish an iron ore railcar wagons manufacturing industry in Western Australia.

This project has highlighted the state's existing manufacturing capabilities to realise the opportunities identified in the report.

The Action Group, which comprises major iron ore project proponents, steel fabricators, industry associations and trade union representatives, provided detailed feedback into the full feasibility study which was undertaken by independent consultant Keogh Bay and explores the viability of supporting this manufacturing initiative.

In consideration of Environmental, Social and Governance factors, an important aspect of local competitiveness is the ability to create local employment and Aboriginal business outcomes combined with significant decarbonisation.

The report emphasised the attractiveness of local research and innovation in terms of developing and maintaining closer links with iron ore project proponents.

The WA Government understands a number of initiatives are being pursued in the research and innovation space.

The findings of the study are the first steps in securing an ongoing pipeline of work for the longer-term vision of the manufacturer of iron ore wagons, which will deliver jobs and economic benefits for Western Australia into the future.

Western Australian capability

Western Australia has the capability to further support major resource projects through local manufacturing and servicing.

The full feasibility study identified a range of products including spare and replacement parts, assembly and manufacture of wagons and provision of increased levels of fleet servicing in the Pilbara region. Also highlighted was the potential for closer links with Western Australian innovators and researchers.

The WA Government has allocated \$15m via the Local Manufacturing Investment Fund to assist existing businesses to upgrade to realise these prospects.

The studies also recommended that detailed consideration be given to local rolling stock manufacturing and servicing for the carriage of grains and other commodities. This is being pursued to further add to the importance of rail-based engineering and fabrication.

METRONET railcars to be proudly built in Western Australia

Railcar manufacturing has returned to Western Australia at the purpose-built Bellevue Railcar Manufacturing and Assembly Facility, operated by Alstom Australia.

The WA Railcar Program will deliver 246 new C-series railcars to service new METRONET projects, replacing the ageing A-series trains, and six new diesel railcars to replace the existing Australind service between Perth and Bunbury.

In June 2021 the Manufacturing and Assembly facility was completed to enable the first WA Railcar to be built.

While the final design and features of the railcars are still to be finalised, the six-car trains will carry about 1200 passengers and have an operational life of 35 years.

With the additional completion of a High Voltage Testing Facility, all testing and commissioning of railcars can now occur in Western Australia instead of using interstate and overseas suppliers.



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Cover image: Iron Ore train - Australia

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