

Media Release

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ARA welcomes rail manufacturing focus in Budget reply

The Australasian Railway Association (ARA) has welcomed the Federal Opposition's National Rail Manufacturing Plan in its Budget reply.

ARA Chief Executive Officer Caroline Wilkie said a national focus was essential to strengthen the Australian rail supply chain as the industry prepared for significant growth over the coming decades.

"Rail manufacturers currently have to navigate a very fragmented market to address different approaches between state and territories," Ms Wilkie said.

"This severely limits the industry's ability to gain the scale it needs to create efficiencies and foster more innovation in the Australian market.

"Policies that support a strong Australian rail manufacturing sector will ultimately lead to better deals for governments and create more jobs in the process."

The ARA released a new tendering framework earlier this year, calling for a national approach to rail procurement to overcome the significant challenges that state-specific local content policies create.

The rollingstock manufacturing and repair industry generates \$2.4 billion in Australia and adds \$515 million in value to other industries such as construction, property, finance and technical services.

It employs more than 4000 people, half of which are located outside of metropolitan areas.

Rollingstock manufacturing and assembly capability exists across Australia, including in Cardiff and Broadmeadow in NSW; Dandenong, Ballarat and Newport in Victoria; Maryborough in Queensland; and East Perth in WA.

Ms Wilkie said the ARA was currently engaging with state governments on building better consistency into rollingstock and signalling tenders.

The Opposition's proposal to support a strong rail innovation culture in Australia was also welcomed.

"Investment in R&D and innovation leads to a better infrastructure network for Australians and improved efficiencies for industry," she said.

"Government and industry must work together to advance rail technology and innovation adoption, based on clear policy settings that provide the certainty needed for long term investment."

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