

WA LABOR

Manufacturing Railcars Locally



A Fresh Approach for WA

WA Labor Policy | February 2017

MANUFACTURING RAILCARS LOCALLY



Our trains, our jobs.

Western Australia's economy should be strong, diverse and maximise our strengths.

Living in Rockingham, I know Western Australians want to see a more diversified economy, one where our kids will have the opportunity for a quality, secure job.

METRONET will transform our public transport system and create thousands of local construction jobs, but it won't end there.

WA Labor's 15-year railcar strategy will deliver more local manufacturing work for Western Australians, creating long term jobs and growing our local manufacturing industry.

We have a plan to create ongoing jobs and apprenticeships for Western Australians.

To make sure that METRONET jobs, go to Western Australians first.

Mark McGowan
WA Labor Leader

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EXECUTIVE SUMMARY

WA Labor will build METRONET and deliver a world class public transport system that works.

WA Labor will bring a fresh approach to WA, and a comprehensive plan for jobs.

Building METRONET will create thousands of new construction jobs and apprenticeships.

The building of rail cars will create ongoing jobs and apprenticeships for Western Australians.

- **A McGowan Labor Government will implement a 15-year railcar strategy and aim to achieve more than 50 per cent of local manufacturing of railcars to create ongoing jobs and apprenticeships for Western Australians.**

The railcar strategy will include the following:

- Passenger railcars for METRONET stage 1
- Railcars for expanded services and the replacement of the A series
- Replacement passenger carriages for the Australind train

Our target of more than 50 per cent is a major increase from what is currently achieved in WA and WA Labor plans to achieve even more.

WA Labor's rolling stock strategy will ensure that more local jobs are created and we maintain a vibrant railcar manufacturing industry for years to come.

The Barnett Government is currently spending \$122.7 million to procure 10, 3 car sets to be delivered over a 3 year period commencing in 2017. These will service the Forrestfield-Airport Line and the new Aubin Grove station. In stark contrast to WA Labor's rolling stock strategy only 2% of the manufacturing work on these carriages will be undertaken in WA.¹

WA Labor will ensure that METRONET jobs go to Western Australians first.

¹ WA Parliament Legislative Council Question 966, Railcar Construction - Local Content, 15 September 2016

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New METRONET lines

Stage 1 of METRONET (excluding Forrestfield rail line) will require 78 railcars for the following lines:

- Thornlie to Cockburn Line
- Joondalup Line extension to Yanchep
- Morley to Ellenbrook Line
- Armadale Line extension to Byford line
- New Karnup Station

These railcars will be ordered and form part of the first stage of our local manufacturing strategy for rolling stock.

Existing METRONET Lines

Joondalup, Midland, Mandurah, Fremantle, Thornlie and Armadale rail lines form the backbone of METRONET.

There are approximately 300 passenger railcars operating on these lines. Many of these will need to be replaced over time. These replacement railcars will be manufactured as part of WA Labor's rolling stock strategy.

Australind Train Services

A McGowan Labor Government is committed to delivering a revitalised train service to Bunbury and the South West. As part of this revitalisation program the ageing Australind railcars will be replaced.

These railcars will be manufactured as part of WA Labor's rolling stock strategy.

Railcars for Mining and Agriculture

There are thousands of railcars servicing the mining and agriculture sector across regional WA. Throughout the Pilbara, mining companies move iron ore to the ports via rail. There is a vast network of rail tracks and rolling stock that needs to be upgraded and replaced on an ongoing basis.

We will work with industry to facilitate greater level of local content on their rolling stock.

A McGowan Labor Government will enact a Skilled Local Jobs Bill that will require a skilled work agreement to be implemented on all major resources projects in the future. This will be another opportunity to increase the level on local manufacturing on rolling stock.

Skilling our Young People

A McGowan Labor Government will work with TAFEs and Universities to ensure that the appropriate training is provide for our young people to enable them to be the workforce of the rail manufacturing industry of the future in WA

We will identify the apprenticeship and training opportunities and ensure that the right courses are offered through our local TAFEs.

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WA Laws to create Local Jobs on METRONET

METRONET will be declared a project of strategic significance, requiring more local jobs and, traineeships and apprenticeships throughout the life of the project. This will include WA Labor's rolling stock strategy to manufacture railcars locally.

Under new laws young Western Australians will be given first opportunity on all government projects and works.

New legislation will be introduced to create the Western Australian Industry Participation Plan (WAIPP) Act to require companies tendering for contracts to identify how many jobs, including apprenticeships and traineeships, will be created from the works.

Under a McGowan Labor Government, local businesses will be given first opportunity to compete for government contracts, while still achieving value for money. This will help diversify WA's economy, drive local industry development and most importantly, create local jobs.

A McGowan Labor Government will invest \$1million per annum to reinvigorate the Industry Capability Network (ICN WA) to assist local companies to develop business cases to compete for government contracts.

Common User Facility

A McGowan Labor Government will also identify what assistance can be provided, including the development of common user infrastructure for the railcar industry. This could include access to Government owned industrial land at existing Industrial Parks.

WA Labor will establish the Industrial Lands Authority to remove the barriers to investment and expansion, and drive development.

One of the first priorities of the new Authority will be to work with Department of Transport and the railcar manufacturing industry to identify the opportunities for common user infrastructure.

Victorian Case Study

A recently awarded contract for 65 new High Capacity Metro Trains (HCMT), had a minimum 50% local content provision and is expected to create 1,100 jobs. The contract was awarded in November last year with the first train expected to be delivered and in testing by November 2018. They achieved 60% local content on the final contracts.

The Government has extended its order by 9 for the six-car sets operating on its Melbourne rail lines, the trains will be manufactured in regional Victoria with over 40 per cent local content sustaining hundreds of manufacturing jobs. The trains will be delivered in 2018.

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