

Question on Notice
No. 514
Asked on 23 March 2010

MR FOLEY asked the Premier and Minister for the Arts (MS BLIGH) -

QUESTION:

If Queensland Rail contracts are sent out of Queensland, how much funding will be provided to electorates that will suffer the enormous flow on effect for losing these contracts?

ANSWER:

My Government is fully aware of the history that the Maryborough Downer EDI Rail site has as one of Australia's original railway manufacturing facilities, and of its continuing importance to the people of Maryborough and surrounding regions. More than 700 steam, diesel and electric locomotives have been built at this site since the 1870s. Indeed, many of the steam engines which powered the Government's popular Q150 steam train around Queensland last year were originally manufactured in Maryborough.

While Maryborough has a rich railway manufacturing history, the Government is continuing to support railway manufacturing in Maryborough. Currently, QR Limited (QR) has passed the halfway point in a contract with Downer EDI Bombardier to build 64 new three-carriage trains. This investment of \$911 million will increase the QR suburban fleet by 42%.

The Government's investment in these trains is supporting 825 direct and indirect jobs, plus 58 apprentices. About half of these jobs are at the manufacturing facility in Maryborough and suppliers in the region. Under the current arrangements with Downer EDI Bombardier, around 30-35% of work and materials by value is supplied from overseas, while the remaining 65-70% is sourced within Australia. Thirty-nine (39) of the 64 new trains have been delivered, with the remainder to be delivered by 2012.

As the Honourable Member is aware, the Government is planning to build even more new passenger trains to provide additional services for South East Queensland. To this end, in December 2008, QR called for expressions of interest (EOI) to build up to 200 new train sets. As the Minister for Transport has previously advised the Honourable Member, as part of the EOI process, QR will satisfy the Local Industry Policy's requirements, to enhance creation of sustainable industry and employment opportunities in Queensland under this project.

While the EOI process has short listed three bidders with capability and experience to meet QR's requirements - United Group and Rotem; Downer EDI Rail; and Mitsubishi and CAF - QR has indicated that regardless of which manufacturer is chosen, new jobs in Queensland will be created to assemble and maintain the new trains.

While it is not appropriate for me to speculate on the outcome of a tender process which is going through stringent probity processes, the Government's goals with this tender are clear: to create jobs for Queenslanders and deliver value for money for taxpayers.