Supporting Rail in Australia

Australia’s national rail network is thriving. Our heavy-haul railways operate some of the longest freight-trains in the world and passenger volumes on urban networks are increasing each year.

Supporting Australian railways are local rail companies. Located throughout urban, regional and rural Australia, local rail supply companies provide vital skills for the rail industry and support local economies. They design, develop, produce and maintain essential technologies to ensure the continued operation and growth of the Australasian rail industry.

Rail Manufacturing and Maintenance

Working as part of the global supply chain, Australian rail manufacturing and maintenance companies provide electric and diesel locomotives, train carriages and wagons, specialist equipment for rail track signalling and electrification systems.

Australian rail equipment manufacturers employ more than 15,000 people and add $1.6 billion to Australia’s GDP annually. The ARA has established the rail manufacturing group (RMG) to represent the interests of major manufacturing and maintenance service companies.

Small to Medium Enterprise

Ninety per cent of Australia’s manufacturing and maintenance equipment supply companies are classified as ‘small enterprises’ with turnover of less than $10 million per annum. These companies supply to domestic and global supply chains and rely on export markets to assist in supplementing project related downturns of the Australian market.

The Rail Suppliers Network Australasia (RSNA) has been established under the ARA to represent the interests of these organisations and ensure the smaller players in the rail industry are supported.

Rail Contractors

Local rail contracting companies build new and upgrade existing rail infrastructure, civil infrastructure, railway tracks, bridges, tunnels, train stations and marshalling yard, as well as the electrification of rail networks and signalling communications systems used for train control. Australian investment commitments in track construction alone is in excess of $25 billion.

As well as building infrastructure for Australian rail operations, local rail contractors successfully deliver infrastructure projects in international markets.

The ARA has established the Rail Contractors Group (RCG) to ensure the interests of local contractors are advance.
Local Passenger Rollingstock Demand

We have forecast Australia’s Passenger Rollingstock Demand to 2025. The forecasting predicts that demand for our national passenger fleet will almost double by 2025, increasing rail vehicles from 4,850 to 8,800. The same report predicts Australian passenger operators will need 300 new passenger cars each year for the next 20 years to meet demand. These forecasts do not accommodate for any improvement such as modernisation of fleet in operation or modal shift.

How Government can Support Australian Rail Suppliers

- Take a leadership role in coordinating optimum procurement process and timing for passenger rolling stock procurement.
- Implement programs for companies to export, including better access to market analysis data on rail opportunities and ministerial led delegations.
- Lead the development of an Australasian level of local content in rail procurement.
- Lead long term planning on rail infrastructure needs.
- Assist in reporting the metrics of the broader rail supply chain contribution to GDP and employment.
- Create a consistent framework for tendering major rail infrastructure projects through actions such as ensuring contract terms and condition consistency, which can reduce tender cost.
- Ensure good safety standard and management practice across Australia, by working with contractors to enforce improvement in safety training and compliance.