



Australian Citizens Party

Craig Isherwood, National Secretary

PO Box 376, COBURG, VIC 3058

Phone: 1800 636 432 **Email:** info@citizensparty.org.au **Web:** citizensparty.org.au

MEDIA RELEASE

8 September 2020

Project Iron Boomerang—revolutionise global steelmaking and reindustrialise Australia

Australia needs to think big if we are to build our way out of the current economic depression. There is no bigger idea than Project Iron Boomerang, a plan to connect northern Queensland's coalfields to northern Western Australia's iron ore reserves with a railway that transports the minerals both ways, supplying steel mills at both ends. This project would fully capitalise on Australia's abundant iron ore and metallurgical coal reserves, and could be the cornerstone of the infrastructure development program Australia needs to engineer an economic recovery.

Click here to watch Project Iron Boomerang founder Shane Condon explain his vision to Citizens Insight presenter Glen Isherwood in [Project Iron Boomerang: Steeling our resolve to build Australia](#).

Project Iron Boomerang would position Australia to make the most of the opportunity presented by the world's, and especially our Asia region's, growing steel consumption. Shane Condon observes that developing countries increase their steel consumption dramatically: nations in poverty consume 20 kilograms of steel per capita per annum; developing nations which reach middle wealth consume 120 kg; and developed OECD countries consume 200 kg—heavy manufacturing economy South Korea consumes over 1,000 kg. Indonesia alone—just a stone's throw from Australia's iron ore reserves—will need 100 million tonnes of steel in the near future.

The world is dependent on seaborne iron ore and coal transported to steel furnaces in Asia, and Australia dominates the trade in both. But the ships from Australia, which are the world's biggest bulk carriers, sail thousands of nautical miles to China and Japan and return empty. Combined with the fact that iron ore is 60 per cent metal and 40 per cent dirt, the current process is only 30 per cent efficient. Solving this inefficiency will save billions of dollars.

[The Project Iron Boomerang website](#) describes the plan as “a transcontinental multi-user rail infrastructure corridor and steel manufacturing complex which will revolutionise global steel manufacturing”. Condon says his inspiration was BHP's development of world-leading steel manufacturing in the early 20th century by establishing plants at Whyalla, adjacent to South Australia's iron ore reserves, and Newcastle, close to NSW's coal fields, and shipping iron ore to Newcastle and coking coal on the ships returning to Whyalla.

The plan is to build a single-track railway line with passing points, for starters, between Abbott Point near Mackay in Queensland, and Port Hedland in WA. At both ends multiple modular steel plants will combine the minerals into first stage steel, which can be shipped in slabs on customised container ships for further processing in Asia. Condon estimates each end would be able to export 22 million tonnes of first stage steel slabs per annum, and the process will be 20 per cent more efficient than China.

The project requires an investment of \$70 billion, but it would create 50,000 Australian jobs in construction, and 35,000 permanent jobs in operation. “The economic benefit workforce, which is directly related and happens immediately, is 100,000”, Condon explains. “In 10 years, from the first steel, I predict that with the industries that will be world competitive, and the reindustrialisation of Australia, it will be 500,000.” The Project Iron Boomerang partnership is asking the federal, WA, NT and Queensland governments to contribute just 0.35 per cent of the total cost to kickstart the project.

This project was close to being adopted as a Coalition policy before the 2013 federal election, but sources have informed the Citizens Party that then-Opposition Leader Tony Abbott personally rejected it. Project Iron Boomerang could have been close to completion, driving the reindustrialisation of Australia; instead, in government Abbott accelerated the deindustrialisation of Australia by shutting down the car industry. Abbott was at the tail-end of more than three decades of the neoliberal deindustrialisation of the nation by financial deregulation, which diverted investment away from infrastructure and industry and into financial speculation. Combined with politicised “green” obstacles to infrastructure projects, this deindustrialisation made Australia more vulnerable to the current pandemic economic crisis. If Australia is to revive the economy, we must abandon small-minded politics and unleash the power of economic development.

“People want vision and hope”, Condon insists. “They want a plan. China's got a plan—Belt and Road—where's ours? Where's our nation-building plan? Not these bits and pieces of half-funded or 10 per

cent-funded flag-waving political stuff.”

Project Iron Boomerang is the kind of enterprise Australia could back with the Citizens Party’s policy of a national development bank, for which legislation is being prepared to table in Parliament. As the pandemic spending spree has shown, including the \$200 billion the Reserve Bank is pumping into the private banks, the \$250 million-odd the project needs in public support is chicken feed for the government and a government bank; but unlike most of the pandemic spending on income support, the pay-off would be huge. All it requires is political leaders to think big.

“Provide vision, leadership and hope in thick black font”, Condon is urging politicians, “and anyone who does that will be swamped with votes!”

[Click here to watch Project Iron Boomerang: Steeling our resolve to build Australia.](#)

[Click here to sign the petition: For national survival, Australia needs a national bank—now!](#)