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24 October 2022

**Committee Secretary
Senate Standing Committees on Rural and Regional Affairs and Transport
Inquiry into Project known as the Iron Boomerang
Parliament House
CANBERRA ACT 2600**

RRAT.Sen@aph.gov.au

Dear Committee Secretary,

On behalf of the Australian Mining Cities Alliance (AMCA) I make this submission for consideration by the Committee.

AMCA is an active and formal collaboration currently (with expanding membership) comprising the Councils of five of the most iconic and economically significant mining cities and regions in Australia;

- City of Kalgoorlie-Boulder (WA),
- Mt Isa City Council (Qld),
- Broken Hill City Council (NSW),
- Isaac Regional Council (Qld), and
- City of Karratha (WA).

Communities of mining cities across Australia face a range of shared challenges and opportunities. The Australian Mining Cities Alliance (AMCA) exists to consider and address issues, and to progress the economic development and socio-economic sustainability of mining cities across Australia.

For some of our Member Councils the most significant long-term issue is that of economic and social sustainability of their communities, particularly as global commitment to decarbonisation has a direct impact on the outlook for fossil fuel mining and gas extraction.

For this reason, AMCA has some interest in major government and/or private sector initiatives that open opportunities for transformation of mining cities and regions.

The Iron Boomerang Project is one such initiative which, as currently proposed, could have a major impact on three of our Member Councils; Isaac Regional Council, Mount Isa City Council and City of Karratha.

AMCA has not undertaken detailed research into the Iron Boomerang project and as indicated by the Terms of Reference for this Inquiry, it is patently apparent to AMCA that there are many questions to be asked about the project and its veracity.



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With the outlook for the reduction of the use of coal and the emerging prospects for alternative steel-making feedstock, the obvious challenge arises as to investment attraction and risk for the project.

At 3,300km length, the scale of the project¹ is also daunting with the length of rail being much longer than China's recently constructed Haoji railway, currently the world's longest coal dedicated line, which boasts a total length of just over 1,800 km².

Haoji railway connects the main coal production areas of Shanxi, Shaanxi and Inner Mongolia with consumption areas of Hubei, Hunan, and Jiangxi, with a planned transportation capacity of more than 200 million tonnes annually³. This is significantly greater than the Iron Boomerang project's proposed capacity of 30 million tonnes per annum coal westward and 32m tonnes per annum iron ore eastward⁴.

While AMCA is cautious about the project, it is not in a position to adequately assess such issues as commercial viability, economic implications, environmental impact, national security implications, technical feasibility etc...

However, representing potentially affected communities and regions, AMCA can confidently advocate on aspects of economic and social sustainability for such communities.

In this context, AMCA acknowledges and offers its support for the following in-principle propositions (which AMCA interprets to underpin the project);

- Australia is rich in natural resources which can ensure future economic prosperity.
- Strong and growing global demand for steel will necessitate new global steel-making capacity.
- Greater on-shore processing of ore and steel production would bolster Australia's retained value of its ore.
- Greater on-shore use of steel-making coal would increase its retained economic value.
- Exporting steel rather than iron ore and coal will create economic and environmental transport benefits.
- Creation of large numbers of jobs in locations such as Newman, Moranbah and Bowen would offer new economic prospects for these communities, which would greatly enhance their outlook for economic and social sustainability.
- The project scope and scale is such that it could be considered to be 'nation-building' comparable to the great pioneering railway projects on most continents that continue to provide economic and social legacy upon which much of the world depends.

¹ [Overview | East West Line Parks Pty Limited. \(ewlp.com.au\)](#)

² [Haoji railway: the world's longest coal dedicated line only 10% utilized \(coalresource.com\)](#)

³ [Haoji railway: the world's longest coal dedicated line only 10% utilized \(coalresource.com\)](#)

⁴ [www.ewlp.com.au](#)



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Of course, AMCA also acknowledges the reality that the project's longevity (and hence its viability) is entirely dependent on global influences of reduction in global CO₂ emissions, the ability to secure 'green steel' alternatives and the juxtaposition of the timing for each.

AMCA commends this submission to the Committee and will be pleased to provide further information as required.

Sincerely

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www.amca.org.au