

Project Iron Boomerang

5 Oct 2022

Policy Category: Infrastructure

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.



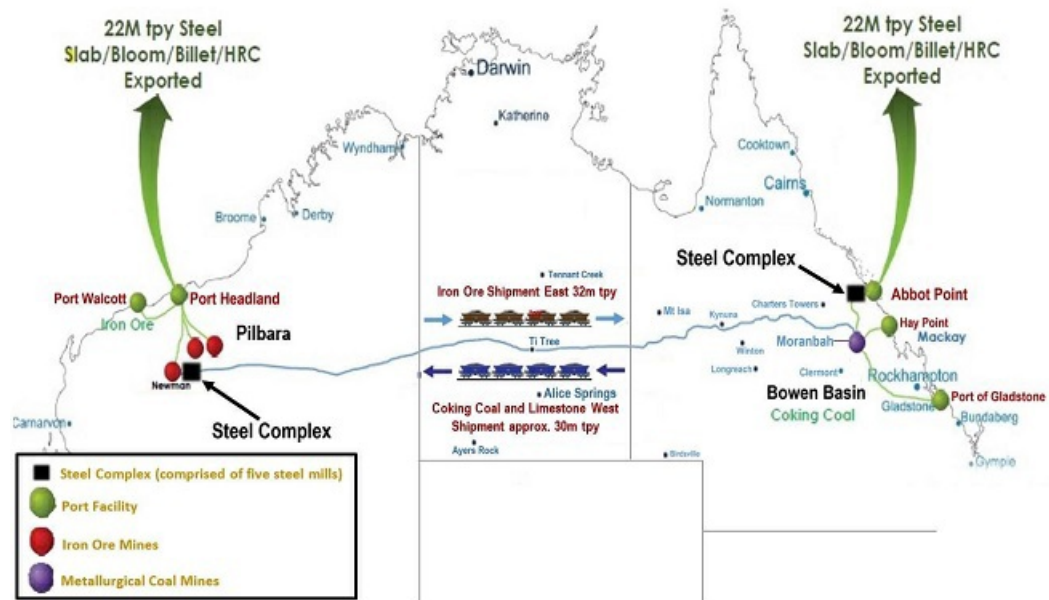
Project Iron Boomerang founder Shane Condon explain his vision to Citizens Insight presenter Glen Isherwood in [Project Iron Boomerang: Steeling our resolve to build Australia](#). *November 2022*

Shane Condon
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.

September 2020

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



[Click to visit Project Iron Boomerang website](#)

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.

Visualising the transcontinental journey

Source: <https://www.ewlp.com.au>

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.

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,

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. 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.”—Shane Condon

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!”

September 2022 - Motion for Inquiry into Iron Boomerang passes Senate!

On 5 September 2022 One Nation Senator Malcolm Roberts moved a motion for an inquiry by the [Rural and Regional Affairs and Transport References Committee on Project Iron Boomerang](#).

The motion passed, notably with resounding support from Labor Senator from Western Australia Glenn Sterle, deputy chair of the committee charged with the inquiry (with Nationals Senator Matt Canavan as chair).

According to the terms of reference, the committee will examine the employment created by the project; the benefit to Australian GDP and balance of payments from increased productive capacity; the capital, energy and resources required to build and operate the project; feasibility of design; environmental benefits or impacts and impacts on Aboriginal communities; the project’s relevance to national security; and any related matters. The committee will report back to parliament in 12 months.

Senator Roberts outlined the proposal in some depth:

“Project Iron Boomerang is an exciting and visionary project that can make our country’s north and can make our whole country. Project Iron Boomerang’s main elements are a 3,300-kilometre transcontinental railroad with heavy duty axle capacity connecting existing rail networks in the iron ore region of the Pilbara to the existing rail networks in Central Queensland, on the way linking with the existing Darwin-Adelaide rail line to improve freight movement nationally.

“The essence of this project is that iron ore will be transported from west to east, and those carriages will be then backloaded with coal to transport coal to Western Australia—hence the boomerang name. Steel blast furnaces and steel parks at both ends—in the east in the Bowen Basin of Queensland and in the west in the Pilbara in Western Australia—will, in turn, turn the iron ore and coal into steel slabs for export from Port Hedland in Western Australia and from Abbot Point and the Port of Gladstone and Queensland. Fibre optic, water, power and potentially gas lines can be laid along the rail alignment for additional commercial benefit.

“Project Iron Boomerang will strengthen Australia’s balance of payments. It will lift our gross domestic product, and, with that, lift our whole economy, restoring our national security, restoring opportunity. We have allowed too many industries to be closed and sent overseas. Too many jobs have been exported. It’s time to turn that around.”

Labor Party support

Most significantly, Senator Roberts’ motion for an inquiry was supported by the governing Labor Party. WA Labor Senator Glenn Sterle gave this endorsement:

“I hadn’t heard of Project Iron Boomerang, but I sat down and got a briefing from Senator Roberts. It comes back to when I was a kid growing up. I remember in the great state of New South Wales we used to do all of this sort of stuff. We actually used to make our own steel. We used to have proud steel cities, where there were communities, there were bonds and there were families, before all this ‘fly-in, fly-out’ nonsense took over. It was before the farm was sold—if I can use the terminology of a farm. It breaks my heart to think, as I’m watching my grandchildren grow up, how disgusted they should be with the politicians before us who thought it was a good idea to contract out work we used to do and we did well. ...

“So I want to support this. I know the Labor Party and Prime Minister Albanese—the Albanese government—support you, Senator Roberts, for bringing this to us. I think it’s a magnificent thing, and I also think this is what we should be doing. These are the big-ticket items that, when I first came into the Senate, lo and behold, I thought we would be discussing on a daily basis. How tricked I got! But, anyway, at least let’s get back to the big stuff about building a better nation, as I said in my first speech, and leaving it better than how we found it. ...

“I want to support this, and we will support this, Senator Roberts. I understand the opposition are, hopefully, getting behind this too, because this is the stuff we need to do. ... Let’s try and put these two great industries together: iron ore in my state of WA and coal in

your state of Queensland. It just makes too much sense.”

Project Iron Boomerang to give Australian steel a ‘competitive edge’

On 29 May 2020, Managing Director of Project Iron Boomerang Shane Condon was interviewed on SKY NEWS and says his project would allow Australia to produce steel “at a competitive and sustainable price”.

Mr Condon said a “seven year study” had been conducted to prove the “viability” of the proposed plan.

Australia currently dominates the seaborne steel making market, producing 70 percent of the raw materials required to create steel.

By manufacturing steel onshore, we could “be more competitive than China” and the production of steel could be achieved more efficiently.