



MEDIA RELEASE

Council backs Wulguru Group's expansion

Townsville City Council is supporting local business Wulguru Group with its new \$37million rail wagon manufacturing facility by waiving infrastructure fee charges of just under \$500,000 through its City Activation and Jobs Growth Policy.

Wulguru Group through the Northern Australia Development Program Industry Transformation grant will construct a new \$37million fit-for-purpose facility for rail wagon manufacturing and maintenance in Stuart as Stage 1. This facility will deliver a transformational change in Northern Australia's manufacturing capability, creating economic wealth and growth for the region for local supply chains as well as increased employment opportunities.

Wulguru Group is the first to receive Council's City Activation and Jobs Growth Policy Component 4 incentive, which offers incentives to new major developments in the Townsville local government area where a significant economic or social benefit to Townsville can be demonstrated.

Under this category, any new development that can generate more than 100 full-time equivalent staff, produce \$5 million or more upfront capital investment into Townsville for a major project, and contribute significantly to the social or community development of Townsville, can be eligible for up to 100 per cent of Council levied infrastructure charges and associated fees to be waived.

Townsville Mayor Jenny Hill said the announcement was a big confidence indicator for our city and regional economy.

"We are supporting a local business that has been in operation since 1976 to compete on a national and international stage. We will see direct economic benefit to associated businesses and industries in our region," Cr Hill said.

“This project will allow the commencement of the fabrication of rail wagons in Townsville and will be a step-change in the manufacturing sector.

“They are transforming how large companies source manufactured products in Townsville and Northern Australia, as this type of manufacturing is currently done overseas and imported as required.”

Commercial Director Bob McKay from Wulguru Group says, “This new facility to bring a new industry of large-scale rail wagon manufacturing to Townsville will create opportunities around trade skills, development, qualifications and job creation”.

“The Councils City Activation and Jobs Growth Policy has assisted us in this process, and it can assist other local businesses as well”.

CEO of Regional Development Australia (RDA) North West Queensland Wayde Cheisa said the project was great news for Townsville and north Queensland.

“This confident investment will positively impact Townsville’s supply chain, as Wulguru Group works closely with local suppliers for both raw materials and post-processing services,” he said.

TAFE Queensland Acting General Manager (north region) Susan Kinobe was also in favour of the development, and said Wulguru had a highly skilled workforce which TAFE Queensland takes great pride in providing with future-focused training.

“Council’s support of the expansion of the Stuart facility is great news for the local community,” she said.

“The project will allow Wulguru to take on more apprentices and we look forward to providing those workers with quality training.”

The Wulguru Group will commence construction in January 2023, with an expected finish date December 2023.

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About Wulguru Group

One of Northern Australia's largest privately owned engineering and manufacturing firms, Wulguru Group was founded in 1976 and is headquartered in Townsville.

Wulguru Rail Maintenance, Wulguru Steel, Abrahams Steel & Pipe Fabrication, Archimedes Engineering, Wulguru Rail Maintenance, and REV Cranes are just a few of the many subsidiary companies they own.

Other Commentary

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Aurizon’s Head of Asset Management and Strategy James Petty also threw his support behind their long term partners Wulguru Group.

“As long-term suppliers for Aurizon, we support Wulguru group establishing a new Rollingstock facility adjacent to our Stuart Depot in Townsville,” he said.

“Stuart is the major depot for our bulk operations in Queensland. With this growth and diversification, the Stuart depot is undertaking more maintenance work and is becoming more dependent on local suppliers such as the Wulguru group.”

Southern Cross Fertilizers, a related body of Incitec Pivot Limited, are another company relying on Wulguru Group.

“The manufacture of fertiliser requires the use of sulphuric acid, which Southern Cross Fertilisers transports between its Northern Australian Operations via specialised GATX wagons (above rail fleet),” Incitec Senior Procurement Manager Robert Sullivan said.

“Safety and regulatory requirements associated with the transport of sulphuric acid via rail requires Southern Cross fertilizers to engage the specialised services of Wulguru Group, via its Wulguru Rail Maintenance operations, to perform regular planned and unplanned maintenance services on the GATX wagon fleet.”