



85/191

MELBOURNE TRAMS FOR HONG KONG

16/7/85

Victoria has won a \$200 million contract to construct Hong Kong's new light rail system in the face of stiff competition from four international consortia.

The project which will provide more than 250 jobs in the state was announced jointly today by the Transport Minister, Mr. Tom Roper and the Chief Executive of Leighton Holdings Limited, Mr. Stewart Wallis.

The equal partners in the project will be Leighton and the Metropolitan Transit Authority.

Mr. Roper said the contact with the Kowloon-Canton Railway Corporation is one of the largest engineering enterprises undertaken by an Australian consortium with the 70 light rail vehicles being built in Dandenong by Comeng, a division of ANI Corporation Limited, and at the MTA's Preston workshops.

It was won in the face of concerted competition from Japan, Canada, Belgium and the United Kingdom.

Mr. Roper said the contract involves project management, construction of 70 light rail vehicles similar to those operating in Melbourne, and some 34 kilometres of double rail track.

"More than half the contract value will be returned to Victoria in the form of jobs and supply of material."

"This is a major step in the Victorian Government's economic strategy. The skill and expertise of the Met and Victorian industry was instrumental in winning the contract."

The Victorian Consortium will also have first option on probable extensions to the contract after the first stage is completed in 1988.

Mr. Roper said: "We've got the richest pool of light rail expertise in the western world outside Vienna. It is a great opportunity for us to capitalise on it."

When making Victoria's submission, the Consortium had strong support from the Federal Government. Both John Dawkins, Minister for Trade and Senator John Button, Minister of Industry, Technology and Commerce were heavily involved in final negotiations.

Mr. Roper was also able to obtain the support of the Prime Minister, Mr. Bob Hawke. The two recently discussed the importance of the contract and economic benefits which Victoria would gain.

When Mr. Roper visited Hong Kong recently the Victorian Consortium was not on the short list. "A lot of hard work got us back into the bidding.

"Credit must go to the Metropolitan Transit Authority employees. At a recent inspection of the tram system, KCRC representatives were most impressed with its operation and efficiency."

The first phase of the contract involves work of about two thirds of the proposed light rail system in Hong Kong. The full network will have about 34kms of double track operating on 16 routes.

Seventy light rail vehicles will be manufactured to operate on the system together with relevant support equipment such as ticket collecting system, workshop equipment and depots.

Mr. Roper said: "It is gratify that the contract was awarded during the 100th anniversary of tram operations in Melbourne."

ENQUIRIES:

STEVE PARSONS - MINISTRY OF TRANSPORT 619 6739
GEOFF STRONG - VIC GOVT MEDIA UNIT 651 1713

6/09