

TRANSFORMERS:

By Arthur Rorris

SOME three years ago the South Coast Labour Council embarked on an iconic project for the Illawarra region. A project which was every bit as ambitious as it was critical to the economic, social and sustainable development of our region and its people.

This initiative became known as *Green Jobs Illawarra* and led to the formation of a broad coalition of stakeholders, including the Australian Industry Group, Southern Councils Group, the Illawarra Business Chamber, TAFE and the University of Wollongong with the South Coast Labour Council chairing the Steering Committee itself.

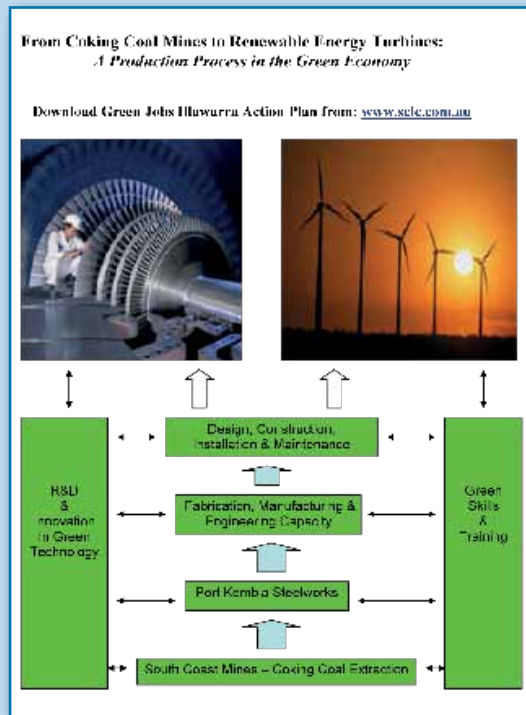
The outcome was a strategic plan for the transformation of the Illawarra's industrial base, and to develop a road map from which the region could navigate uncharted waters to a carbon constrained future.

The first task was to examine and later audit our carbon exposure. For a region with a traditional base in coal mining, steel making and heavy manufacturing, it was clear from the start that when we looked into the mirror we were staring at 'carbon central'. When you consider that the Port Kembla Steelworks on its own contributes around 7% of the total greenhouse gas emissions for the entire state of NSW, you start to get the picture.

Once you scratch beneath the surface, however, a different picture emerges. Let's start with the region's coal mining industry. As it happens the coal mined in the Illawarra is almost exclusively high grade/ high yield coking coal. In other words it is primarily used in steel making, not coal fired power stations. This means that the national and global transition in power generation from coal fired power stations to renewable energy systems should not, of itself, threaten the Illawarra mining industry which mines coal for another purpose.

Now, turning to that other purpose, steel making, it so happens that the use of coking coal is an essential chemical part of this process. It is used in great quantities to remove oxygen from the iron ore, and whilst incremental efficiencies are possible it is

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generally accepted that large quantities of coal will be needed to make steel for decades to come.

So how does this help the fight against climate change and to transform the Illawarra's industrial base? The answer to that question can be found in the construction of every wind turbine, wave generator, solar thermal plant, geo thermal plant bio gas and almost every other form of renewable energy technology in use or being developed. The common ingredient is steel, hundreds of thousands of tons of steel.

Consider this — an average wind turbine will need around 150 tons of steel in its production. Now multiply that out by the thousands of wind turbines that have already been commissioned or are in the pipeline across the country to get an indication of the significance of these new industries in terms of demand for steel, let alone the manufacture of the units themselves. And this is

only for one type of renewable energy system.

This in itself raises hopes in a region that already experiences unacceptably high levels of unemployment, particularly amongst our young, courtesy of the last steel industry downturn in the 1980s which saw the steelworks labour force plummet from 23,000 to just over 3,000 directly employed today.

Another important facet of the Green Jobs strategy is sustainable construction and the partnerships that have been formed between Local Government and TAFE to facilitate on site training in green skills and the construction of coastal cabins. Similarly, the identification of iconic public buildings for retrofitting and funding for a 'green team' project led by local Aboriginal community members represent a broadening of the Green Jobs project and its scope.

Perhaps the most significant project awaiting funding approval is the Green Street initiative which will involve 8-10 dwellings to be built on adjacent blocks of land utilising different materials, techniques and technologies to achieve the objective of 100% net energy self-sufficiency and water harvesting and recycling for domestic use. Once completed the aim is to open the houses for a public display and encourage the broader community to experience firsthand how different approaches and technologies can be employed to make for more sustainable living. The houses would then be sold with the intention to reinvest in other Green Jobs projects.

In advancing such a bold agenda of industrial transformation for the Illawarra region, it was necessary to identify key assets and drivers for this process. Perhaps the most important lies in the region's deep and broad skills base and the institutions that are largely

The Green Jobs Illawarra Story

responsible for its formation, retention and development; TAFE Illawarra and the University of Wollongong.

Green Skills and R&D play a central role in the Green Jobs narrative given the rich pool of skills found in the Illawarra's manufacturing, logistics, mining, construction and education institutions. Many of these are readily transferable and others up-gradable and may be applied to new production and other processes. Indeed, state and federal governments have recognised this and have moved to resource this important and growing VET priority area.

The challenge is to ensure that effective skills formation in these fields are carried out by institutions with the capacity to devise and implement long term plans, to offer courses across a range of industries and regional locations without having to limit courses on the basis of commercial considerations. This requires clear funding commitments for green skills and certainty from a dedicated and quarantined funding source such as a carbon price mechanism, and should not be drawn from over-stretched existing budgets. It also requires institutions with a proven track record in skills development in the context of industrial restructuring which have the confidence of the communities that they serve. These institutions are of course our public institutions.

This provides (another) good reason for the Federal Government to rethink privatisation strategies thinly disguised as contestability policy which will, without doubt, divert funds from these priority areas and place the future of skill formation in the hands of what has become a very shaky market. ❖

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