

The future of Australia's steel industry

As a BlueScope Steel (formerly BHP Steel and AIS Pty Ltd) employee since 1986, I have seen many changes to the steel industry over the years. Recently, many of these changes have been negative with large reductions in the number of tonnes produced and the number of people employed. I personally have several friends and work colleagues who have been made redundant and I have seen the devastation this unemployment can cause.

We have just been through our latest round of job cuts along with significant pay cuts and pay freezes for many of the employees who survived. A study was published showing the consequences to the local Illawarra economy if the local steel works was to close. Local job losses would number around 10,000! That is not a typo, 10,000 local jobs lost!

I was very surprised to find out recently that the Australian Government and NSW Government are not large customers to their own local steel industry. I can understand that our Government is not a charity, however it is also not a 'run for profit' business! The long term goals of our Governments should be to support the creation and maintenance of jobs through local industries. Buying most of its steel (or any locally produced item) from an overseas company does not achieve this!

Bluescope Steel is a competitive and efficient company currently fighting for survival in an extremely competitive worldwide industry. If our Governments were to have a local procurement policy our industry would basically be saved in the short term and probably into the mid to long term too. Many other countries have similar policies and I would strongly suggest our government does the same. This should be for as many Australian industries as possible, not just the steel industry.

Efficiency of Government should not be measured by the cheapest budget, but by its citizens' quality of life. Allowing the steel industry to close by 'doing nothing' would not achieve the goals of any legitimate government.