

REPORT ON MARCH MEETING

Speaker: Dr Joe Davis.

Topic: Early history of ER & S of Port Kembla.

Two of the last four speakers have added to our knowledge of Port Kembla which had been and remains, to a lesser extent than previously and presumably, with hardship for some, the region's top contributor to industrial output. Dr Davis was to be much more specific than Mr Smith, and his address focused on whether or not the role of

years had been overlooked and even underestimated and his proposition was that the establishment of **ER&S** very early by 1905 was an event of huge significance in the development of the region's heavy industrial base.

Capitalism had brought the first external enterprise, as opposed to a local one, to engage in an industrial undertaking in Illawarra. It was a non-government group and not directly assisted by it. It consisted of a consortium, comprising a very successful and financially strong gold miner, the Mt Morgan Company of Rockhampton, Queensland, and a metallurgical group that was German in origin, then recognised as the world leaders in the science of metallurgy. These groups were both well funded and planned a smelter to refine ores that Mt Morgan had in abundance and that originated from mining elsewhere in Australia and more so in NSW and also overseas. The shareholding was split 75% to Mt Morgan and 25% to German interests. They were to invest their funds in **ER&S** and as history has recorded it maintained a presence here, even though the identity of the investors were to change, for the very long term, just short of a century.

Its leaders, we assume, well realised the opportunities that Illawarra region and Port Kembla in particular offered for their **ER&S**. An abundance of coke and limestone or flux, as it is called, was on hand or easily obtained. Also rail and port facilities services were in place, even if primitive by today's standards, but nonetheless perfectly adequate for both the import of raw material and the export of its finished product, namely pure metal.

We may also assume that its leaders realised too that the Government and private investors were unlikely to be interested in backing the project after the trading losses and eventual liquidation of the Dapto Smelting Company, linked as it was to a wild scheme, even with some notable connections, to develop and operate a going concern harbour in Lake Illawarra.

Time did not allow for too much elaboration by our speaker of technical aspects of the smelting operation. Simply put, smelting achieves firstly the decomposition or break up of the mineral ore, with waste or slag breaking away assisted by the flux, or limestone material, leaving a mix of carbon and metal oxide remaining, and by applying further heat, by way of coke, to remove the carbon and oxygen content,

to produce a base of pure metal element. In the case of copper, before the pure metal was achieved, the copper element was blistered or had a bubbled finish was removed by the new process of electrolysis resulting in the pure metal element.

ER&S was established as a smelting facility for a range of metal ore bodies and metals to be recovered were lead, copper, silver gold and zinc. Its main product has always been copper and its fortunes very much dependent on the world price for copper, and a low price was to impact on the level of operations and employee numbers.

From the outset **ER&S** did not ignore the impact of sulphur fumes that entered the atmosphere when smelting copper. It invited, even in those days, from the community an expression of support or otherwise for its undertaking, and while a Mr O'Donnell, a farmer in the immediate area, voiced objection the community generally welcomed it. It was the sulphur fumes issue that gave Port Kembla its large smoke stack that was extended in height and improved upon during its years of operation. Now out of operation, the locals are campaigning for its preservation. By a number of criteria the **ER&S** enterprise proved a very significant one for our region. It was a profitable company. Its workforce peaked early in 1908 at 500 and subject to no adverse impacts, the copper's world price remained at a high level. It supplied its products to national and international markets. By world standards it was a very large smelting works. It spawned two other industries in Port Kembla. Firstly Metal Manufacturers which processed copper into wires, cables and copper pipes, then in demand as electricity was made available throughout the country, and important for private consumption, and secondly, Australian Fertilisers, that acquired sulphuric acid from **ER&S** and used it and more in the production of fertilisers. Finally, it was a forerunner surely of the establishment of the iron and steel industry of the region. That industry and its production process is after all another giant smelting works.

Dr Davis did make a good case for his basic proposition.

Overall, extraction of metal from ore bodies was to have a huge impact on the manufacture of goods, another notable contributor to the world wide industrial revolution.

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Question. After whom was Darcy Road in Port Kembla named? Mr Darcy, principal of Mt Morgan Gold Mine, the boxer or Wentworth?