AUSTRALIA'S BEST KEPT SECRET

Reviewed by
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The economic and social consequences of the recession on the industrial city of Wollongong on the NSW coast have been staggering.

In the early 1980s, the combined effect of the disastrous Australian steel crisis and a subsequent restructuring of steel manufacturing left the region in a severely depressed condition.

Wollongong's strong blue-collar community was to be the ultimate victim of this, “the worst recession in post-war history” — 8,000 of their number were made redundant (unemployed) with little hope of regaining their jobs.

SCB explores the economic and social dynamics of the crisis, placing specific emphasis on the “human” response to it. It is a study of great significance to South Coast people because it is still very relevant — about 20 percent of the area's workforce remain unemployed.

Wollongong's problems began in 1982 when BHP — the largest employer in the region and the mainstay of the national steel industry — realised it was in serious trouble.

Diminishing markets, poor long-term management, a major recession and inefficient manufacturing methods had brought the Big Australian to the financial brink.

The only way left to avoid absolute corporate collapse was to accelerate the technological restructuring of the steel industry. BHP duly introduced a rationalisation program and brought new, less labour-reliant means of steel production to its South Coast works.

The economic result of this "technological solution" was that fewer workers were needed to manufacture more steel: the social consequence was mass unemployment in the Steel City — an area dependent on the BHP plant and affiliated industries for two-thirds of its income.

As the industrial workforce was cut down from over 18,000 to 10,000, the people of Wollongong — who had ridden on boom time prosperity for two decades — began to face a "social holocaust".

Steel City Blues is the product of over 100 interviews with persons somehow affected by the economic downturn in the region — from disillusioned school kids unsure of their future, through to BHP bosses, the men who made the crippling decisions.

How these people adapted to the recession and what courses of action they have taken to overcome the problems associated with it is the chief focus of the book.

Julianna Schultz creates a striking picture of the difficulties which sectors of the steel community were made to confront at this time. She also objectively analyses the cause of the crisis, thereby placing it in perspective for the uninformed reader.

The depiction of the Kemira miners' strike, and other forms of working class protest, highlight Schultz's unbiased approach towards management/labour conflict. While it is made clear that Wollongong is a city proud of its activism and union heritage, no "sides" are taken in the book's final conclusions.

Indeed, Schultz seems to maintain a rather cool attitude when mentioning political, class or industrial action and relies more on the discussion of social effects to make her lasting points.

The results of the crisis have been far-reaching, with legal proceedings against BHP by retrenched female workers making the news recently.

The "class" spawned from the collapse of the Steel City — the industrially redundant — remain a significant percentage of the region's population. They are still suffering the feelings of guilt, worthlessness and insecurity linked to long-term unemployment. However, the serious problems of these people just break the surface...

To appreciate the fuller "human" dimensions of Wollongong's struggle, it is worth reading about it first hand.

BHP announced a massive profit of over $150 million in November 1985. The bosses had got their recovery. Steel City Blues tells of the human cost.

Andre D’Cruz until recently was a resident of Wollongong.