

The choice is Norway or a highway to hell



Phillip O'Neill

FEW things are sadder than mass retrenchment. One hundred and fifty workers at the Kurri Kurri aluminium smelter will lose their jobs over the coming month, as will 100 at the Tomago smelter.

Five years ago these jobs were secure and well paid. Now world aluminium prices are 30 per cent lower, the Australian dollar is 20 per cent higher and the long-term supply of low-cost electricity in NSW is uncertain.

A fortnight ago, the company that runs the Kurri Kurri smelter, Hydro Aluminium, said the plant needed a "curtailment" in order to survive.

A curtailment, aye?

Must be a Norwegian euphemism for giving workers the sack.

The point of the Kurri Kurri curtailment, of course, is to arrest Hydro's falling share price, release funds for investment elsewhere, and restore long-term profits – all for the benefit of shareholders.

But at the expense of jobs.

Every study of every retrenchment event worldwide reveals the enormous social, economic and personal costs that hit sacked workers and their families.

For Kurri Kurri smelter workers, though, the confirmed curtailment may not be the end. Late last week Hydro announced quietly on its website that while the 150 sackings gave "some relief to the situation . . . we need to consider whether this is enough". The future of the entire Kurri Kurri plant is now uncertain.

It is important to ask, who owns Hydro?

The answer is that the majority owner is the Norway government. Hydro is managed by the ministry of trade and industry. Hydro is a major hydro-electricity producer in Norway and runs aluminium smelters and fabricators across Europe and the US.

Hydro operates as a joint company with Statoil, which is Norway's giant petroleum company. Statoil is also a Norwegian state-owned company, under control of the ministry of petroleum and energy. Statoil was formed so that Norway could cash in on the North Sea oil and gas boom back in the 1970s.



THE FUTURE IS NOW: There are lessons to be learned, and quickly, from aluminium smelter retrenchments.

Fancy that, a nation acting to secure the rewards from a natural resources boom.

So Hydro Aluminium bought the Kurri Kurri smelter in 2002 as part of a global expansion strategy. Now Hydro wonders if it wants to stay the course.

The lay-offs will be devastating for the workers and their families.

Hydro, alongside state and federal governments, must be generous in its assistance.

But there are messages for governments about the future of the Hunter Valley's energy sector and its 20,000 workers. Last year was the uncelebrated 125th anniversary of the discovery of the South Maitland coalfields. Today there is a vast presence of energy workers across the Hunter: coalminers; transport, logistics and port workers; workers in electricity generation, transmission and retailing; and aluminium workers.

Coal remains central to this sector. But lazily so. The coal export boom landed in our laps as a result of urbanisation in China. Our electricity sector has changed little

since massive investments by the Wran Labor government four decades ago. These drove the expansion of our aluminium industry. But as we see now with the Kurri Kurri smelter, the aluminium producers have for too long been content to base their competitiveness on this cheap Hunter electricity.

And investment in new energy technologies is meagre.

We have world-class researchers, such as at the CSIRO Energy Centre at Steel River and in the Smart Grid project run by Ausgrid in partnership with the University of Newcastle.

In reality, though, these projects are small-scale.

The Hunter's energy sector faces huge challenges. How much longer can the valley endure the annihilation of its rural landscape by open-cut mining? How clever is it to hand over the port of Newcastle – lock, stock and barrel – to the export of black coal? For how much longer can we remain dependent on nearly depreciated 1970s coal-burning power stations?

Who will fund a transmission system that is integrated with a national electricity grid and allows genuine inclusion of renewables? Why isn't there a place for natural gas? And why aren't there any innovative aluminium fabricators?

There is much to learn from the way the Norway government manages its wealth from the North Sea oil and gas boom. The likes of BHP Billiton, Rio Tinto, Xstrata, Anglo American and the Tinkler Group are reinvesting their vast profits to shore up their futures. But evidence that there will be a transformed, prosperous, sustainable Hunter Valley economy in 50 years' time is slim.

Perhaps we should invite Norway's visionaries to the Kurri Kurri curtailment, let them see one downside of their work, but milk their ideas for a sustainable future for the Hunter's energy sector.

Professor Phillip O'Neill is the director of the Urban Research Centre, University of Western Sydney.

You can't power walk your way to peace

Take the time to smell the roses, writes Bill Wright.

BEING invited to write an opinion piece reveals what a grumpy old man I am.

Opinions flood into my mind. The awfulness of TV made for teenagers. The festooning of parks with signs prohibiting things like games, eating, sitting, breathing. Newsreaders' obsession with auxiliary verbs ("Police ARE investigating . . ."). And there was an apostrophe in that last sentence, but we'd better not go there. Instead, let's talk about walking.

Last week I went with a friend down by Bar Beach as the evening closed in, looking for fish and chips.

All along the roads up from Nobbys there were people walking,

hundreds and hundreds of them, and they kept coming all the while we sat scoffing our chips. Now the civic fathers and health authorities might think this is great news.

Obesity solved, hypertension on the run, fitness being maintained. My problem, though, is that I hardly saw anyone who was just out for a walk, or, to make things clearer, out for a stroll.

No, this was Walking with a capital. On a lovely evening, in a beautiful place, there was no stopping to gaze on the ocean, no contemplation on a park bench, no gentle conversation with a companion, no laughter, no smiles. Just grim, purposeful Walking.

So what's wrong with that, you ask. They're keeping healthy, and that's a good thing, isn't it? Well, yes, I suppose. But it's just so goal-oriented. Walking has become a

task, a regimen, a virtue, one of the habits of highly effective people.

Instead of being one of life's gentle pleasures, walking is being turned into a grind, something to be worked at.

Thinking further around these things, the bishop in me asserts itself. What other natural, pleasurable human activities have we turned into tasks to be mastered?

I think of prayer. It's just chatting with God, when you come down to it. But we can make it seem a specialised science, what with workshops and techniques and institutes.

People, too, will naturally sit and muse over life from time to time, but you wouldn't call it "Meditation" (capital, again) unless, having done the course, you were properly posed in your special Meditation spot with your special candle lit.

And taking an interest in people, being friendly and listening, these are all normal human things.

I can't help thinking that they're actually corrupted when they're done specially as "outreach" or "witness" or consciously "being Christian".

The Christian life, as it happens, has often been spoken of as a "walk". I'm thinking we'd be better off taking it at a stroll, for the sheer pleasure of it, rather than turning it into another dour self-improvement effort.

It's often when gently strolling that thoughts and prayers and a sense of peace will come, unbidden and not worked for. That's got to be healthy.

Bill Wright is the Catholic Bishop of Maitland-Newcastle. Article submitted on behalf of the Churches Media Association.



Fine questions

THOUSANDS of parking tickets issued over the past two years near John Hunter Hospital could be null and void because Newcastle City Council doesn't know where its own suburbs start and finish. The news sparked interest from online readers.

The council failing to read its own fine print.

Shrek

Love it! The whole parking restriction is a farce. No parking at the hospital and inadequate public transport.

revenge

Newcastle City Council doesn't seem to know whether it is coming or going. How can a ticket say something and mean something else? Clogging the courts over something that should be fixed over the phone. There's got to be a better system.

Late mail

I have no sympathy for the council. These parking restrictions are, in my opinion, more about revenue raising from infringements than they are about parking or traffic management. Abolish councils. Local services should all be funded directly by the state.

newy

Why don't the compliance officers spend some time up the top end of Platt Street at Waratah? On any given day I am sure they would have a field day with cars parked across the footpath and between no stopping signs. This is in an area where car parking is not a major issue considering the vacant parking spots around the place.

thinkthrough

Why doesn't Newcastle City Council explain why it only decided to "withdraw" the notices less than 48 hours prior to the court case – when they had been issued on September 2, 2011.

Mark

Surely a simple solution is to get rid of the reference to New Lambton Heights off the sign?

cardiffresident

ONLINE poll



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