

THIRD ILLAWARRA REGIONAL LEADERS' SUMMIT
NOVOTEL WOLLONGONG NORTHBEACH
TUESDAY 18 OCTOBER 2011

Eddy De Gabriele, Chairman of the RDA Illawarra committee.

Rev Fr Chris Riley.

Our distinguished guest, Professor Howard Armitage.

Local business and community leaders.

I thank Sharon Bird for that generous introduction.

Sharon and Stephen Jones are outstanding advocates for this region– and I pay tribute to them today.

I honour the traditional owners of this land, the Dharawal people.

They wrote the first chapter of this region's development and we're going to write another great chapter in that very long and proud story.

Friends, it's a great honour to be back so soon after my last visit and I'm here for one reason:

To keep faith with this region and its people.

As you undergo this process of change and transformation, you will not walk that road alone.

We will build a prosperous local economy that sustains high-wage, high-skill jobs for the region.

And we will do it together.

I know the job losses announced by BlueScope have been a bitter pill for this region.

I know there are many families who have been sitting around their kitchen tables thinking about what their future will hold.

But I also know this: in tough times we can turn adversity to advantage.

Challenges to opportunities.

That's exactly what Australians are good at – we are a smart, adaptable, resilient people.

This is a smart, adaptable, resilient region.

A region familiar with the task of transformation.

From the 1840s, the dairy industry eked out a living along this coastal plain.

The coal industry began to supplant dairy from the 1870s.

Then came steel-making in the 1920s.

And then the big wave of economic reform in the 1980s, now being revisited in our own days.

Wave after wave of change.

That's the history of this region.

The history of our nation.

A trading nation open to the world – and thus a nation always subject to the forces of change.

Friends, I look back on the changes that occurred here in the 1980s and at the time it must have been hard to envision any sort of future at all.

Employment in the steelworks fell steeply from a peak of 20,000.

Eight thousand jobs were lost in just three years alone - 1981 to 1984.

But the Illawarra didn't give up hope.

With support from federal and state governments – and the ongoing commitment of BHP, now BlueScope – you found a way through.

It is my belief that you can do it again.

I'm an optimist about the Australian economy.

I'm an optimist about a long-term role for manufacturing.

But in this time of change, we need to keep working to strengthen and modernise our economy with the new opportunities of the future.

Here in the Illawarra we are reminded that global events, even those a long way away, do affect us in Australia.

As is well known, Asia's demand for our resources is not only boosting national income; it is also pushing up the Australian dollar.

This puts a lot of competitive pressure on trade exposed sectors of the economy – including industries vital to regions like the Illawarra.

More broadly, the Australian economy – like all economies – is being buffeted by sovereign debt problems in Europe.

Over the weekend, the Treasurer met with other G20 Finance Ministers.

And in three weeks I will meet G20 leaders in Cannes – a meeting which will hopefully place important ballast under the global economic recovery.

But between now and then, European leaders must take decisive action to put an end to the sovereign debt crisis when they meet this weekend.

The crisis of confidence in global markets being caused by the situation in Europe must be expunged.

The time for muddling through is over.

Substantial and comprehensive reforms must be put in place. Nothing less.

The world is watching - including from the shores of Australia

And as we work together with the world's leading economies to encourage global stability and growth, I am also here to say again that the Australian Government is working with you to help make this a regional economy that thrives in the 21st century.

That is why we've brought forward the Steel Transformation Plan and made up to \$100 million available as an advance help BlueScope adapt to the current economic conditions.

And why we have, with the State Government and BlueScope, created the \$30m Illawarra Region Innovation and Investment Fund.

Funds for economic diversification and the creation of new jobs and new opportunities.

And I'm proud to say the Fund guidelines were approved on Friday and the scheme is now open for business.

The Fund is backed by a high-powered Regional Task Force and Advisory Committee to ensure that any proposed solutions are solutions made by this region, for this region.

A process that involves the people of the Illawarra working with us, with the State Government and with Local Government, local employers, local unions, working together to design a shared vision of the future.

I know there are purists who sit in their think-tanks and decry any cent of money invested in particular regions or industries.

But like those who have stood in the way of planning for a clean energy future, they are wrong.

When a region and an industry wants to build a bridge to the future, I will be there to ensure you have the tools to do it.

To create high quality new jobs.

To create new business opportunities.

To renew technology and update skills.

Not a hand out – but a hand up.

We know from your experience in the 1980s and the lessons from other regional centres like Newcastle that this transformation is possible.

Newcastle has transformed itself from a one-company steel town to a leading centre of knowledge and innovation currently enjoying near full employment.

Not only stronger, but more diverse.

Because diversity is the missing strength in some of our regions.

Diversity equals resilience.

So the Illawarra will keep making steel – but it will be cleaner, smarter steel-making.

The Illawarra will keep manufacturing – but the goods you produce will be based increasingly on innovation and value-adding.

The Illawarra will keep producing coal; indeed we've seen old mines reopened in recent years.

Mines that will be cleaner as our carbon package clicks into place next year.

The Illawarra will keep building on the region's growing presence in industries like information technology, tourism, financial and property services, and the arts.

I travel all over Australia, and few regions have the assets that you do.

A truly world-class university, led by a great Vice-Chancellor.

A university, incidentally, which has the highest number of IT graduates of any university in the nation.

Facilities like the Innovation Campus, which saw its first commercial building opened just last month, boasting tenants like BHP Billiton.

The brilliant new \$30 million headquarters for the Illawarra Health and Medical Research Institute opened last year.

Or the \$60 million SMART Infrastructure research and training centre at the University of Wollongong.

Wollongong is home to major financial players like Oasis Asset Management and the Pillar superannuation administration corporation.

You've got a great port facility that I know has just undergone a major expansion, with a further expansion now underway.

And the \$350 million TRUenergy gas-fired power station opened on the shores of Lake Illawarra.

So even before BlueScope announced its decision, this was a region on the move.

A region determined to shape its own future.

So as you digest the news of BlueScope's restructuring, and the wider economic implications of Asia's rise and the high dollar, I say:

Be confident.

You have so much going for you.

And because you do, the support and backing will follow.

Not just the \$100 million we're providing under the Steel Transformation Plan.

Or the \$30 million from the Illawarra Region Innovation and Investment Fund.

The Illawarra will get its fair share of our national infrastructure too.

Earlier today I announced the next big move for the National Broadband Network.

We've seen successful trials in several regions, including just south of here in Kiama and Minnamurra.

Now it's time to begin the volume rollout of fibre to 93 per cent of Australian premises.

Today the NBN Co released its inaugural one-year construction schedule which will see high-speed broadband delivered to half a million premises by this time next year.

The Illawarra is central to those plans – and here's how it will work.

The NBN's 12 month schedule will include the fibre network passing through 10,900 premises in the Dapto and Wollongong areas.

In addition, six exchanges from Corrimal in the north to Nowra/Bomaderry in the south will be made fibre-ready for the rollouts to continue into 2013.

This builds on the rollout that has already commenced in Jamberoo and Kiama where connection has been completed or is underway at 7700 premises.

And along the way, the NBN rollout will create more than 500 jobs in this region.

So get ready because the NBN is coming to the Illawarra.

It will be one of the first regions in Australia to be fully connected.

Enabling people to work from home.

Create businesses at home.

Connect their firms to overseas clients.

Undertake education or cultural activities online.

The possibilities are limited only by the imagination.

Like the expansion of Port Kembla, the NBN is an opening on the world.

A chance to reach out and grasp the opportunities that the Asian century is bringing to our nation.

Friends, if ever a region stands to benefit from infrastructure investment, it is the Illawarra.

I mentioned the expansion of Port Kembla – a visionary decision by the Carr government that has turned the Illawarra into this State's hub for vehicle importation.

Infrastructure that unlocks opportunity because it brings people, goods and ideas to where they need to be:

The new infrastructure of the NBN.

And the more traditional infrastructure of ports, roads and rail.

If there is one great unfinished story in the history of Australian infrastructure, it is right here in the Illawarra.

A rail line begun with high hopes almost 30 years ago.

A project that was regrettably suspended when construction was already well underway.

Friends, I'm very proud to announce that after this project has sat dormant for 23 years, the Gillard Labor government will take the next vital step toward the realisation of the Maldon to Dombarton rail link.

Because of the time lag, we'll need to review the planning and design work to meet today's engineering standards.

So we will allocate \$25 million to get that work underway.

And that work will position this project to meet all the preconditions for major construction to make it shovel ready.

We are prepared to make this new investment because the Maldon to Dombarton line makes even more sense today than when it was first conceived.

Not only is coal mining undergoing a resurgence.

Not only is Port Kembla undergoing a major expansion.

The Maldon to Dombarton line now also fits intrinsically as part of a holistic freight strategy throughout the Sydney region and indeed right along the nation's east coast.

The line will link with the Northern and Southern Sydney Freight Lines, the proposed intermodal facility at Moorebank and the expansion of Port Botany.

So the Illawarra can continue doing what it does best.

Manufacturing.

Creating.

Exporting.

Making your own way in a challenging and uncertain world.

So friends, what does this all add up to?

A strong regional economy with jobs and opportunity for all.

In fact, RDA Illawarra's own vision statement puts it well.

"A sustainable region that offers a higher quality of life, socially, economically and environmentally, through high levels of employment with a highly skilled, adaptable, productive and inclusive community operating in a diverse, vibrant and growing economy."

That's our vision for the Illawarra.

They're the values that bring us together today.

In fact, they're the fundamental values I've fought for my whole political life.

There are times when history puts those values to the test.

Like when Paul Keating faced the 'banana republic' moment in 1986.

When this Government confronted the GFC three years ago.

Or when this region heard the news of BlueScope's job cuts back in August.

And friends, we're going to meet that test.

We're going to meet it with courage and resolve.

We're going to meet it in partnership.

Building on this region's proud past, to give the Illawarra the bright future it so richly deserves.

Thank you.