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ARTICLE FOR KOMPASS POINT, BY DON DUNSTAN, PREMIER OF SOUTH AUSTRALIA.

South Australia is known as Australia's "Central State". It is situated between the booming mineral State of Western Australia and the industrially diversified and heavily populated Eastern States of Victoria, New South Wales and Queensland. It is a key Australian centre for the manufacture of such items as motor cars, refrigerators, television sets, air-conditioners and washing machines - articles purchased by Australians on every economic level. However, because these products are vulnerable to demand variations when there is an economic downturn, the present South Australian Government has underway a programme of rapid industrial diversification.

The State already has a population of 1,164,700, and its workforce is highly trained technically. And in addition to general diversification of industrial production, the Government has commenced a major trade drive in South Eastern and Northern Asia and the Pacific. It believes Australia's future is inextricably bound to development in these areas. As part of this drive, trade agencies have been opened in Tokyo, Hong Kong and Singapore. Another will also be established in Djakarta, and a State Government trade and development officer will be appointed to service the whole region, working out from these centers.

A development officer will also operate out of the South Australian Agent General's office in London, and will service Europe and North

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America. The Government sees the main work of these agencies and officers as being the encouragement of trading relations, the promotion of South Australian products, and securing investment for the State.

Already South Australia has a firm foundation on which to base its diversification programme. ^{Resides AMDEL, we have} ~~It includes the~~ Weapons Research ^{GAUSEWOOD} Establishment, ~~the Australian Mineral Development Laboratories~~ (AMDEL) and the world-famous Institute of Medical and Veterinary Science, ~~South Australia has also~~ major branches of the Commonwealth Scientific Industrial Research Organisation (CSIRO), ^{and} ~~while its~~ research units in the State's two universities provide a solid base for the future development of new technologies.

In addition, to these government and semi-government agencies operating in advanced technological research fields, a diverse range of sophisticated industries has been established in South Australia. Companies such as Philips, Texas Instruments, I.C.I., and International Computers have all chosen the State as the centre for their operations. Home-grown enterprise has been significant with recent developments being undertaken by Sola International in the manufacture of optical products and equipment, ^{and} Paton Industries in the manufacture of scientific equipment, ~~and by Hovergem and Taylorcraft in the production of hovercraft.~~

~~Among the wide range of Research Centres established in South~~

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Australia, one of growing importance as a result of the mining boom is the Australian Mineral Development Laboratories (AMDEL). Established in Adelaide 10 years ago, AMDEL is Australia's leading mining contract research and technical consultancy organisation.

A development also of considerable importance to the Australian mining industry is the Australian Minerals Foundation. The establishment of this Institute in Adelaide in the near future will provide a centre where the additional training needed by graduate scientists and engineers to enable them to meet the growing technological demands of the mineral and petroleum industries, can be given.

Moves have also begun this year to investigate the practicability of developing and manufacturing "new transport systems" in South Australia. With radical changes in transport technologies envisaged in the future the South Australian Government is planning to make South Australia centre for the development of these techniques.

To assist in the Government's development programme ^a major Industrial Research Institute will shortly be established.

This Institute will undertake research and development studies to assist local industry in the development of new products suitable for manufacturing in South Australia.

Established industries in the State are ~~also~~ expanding.

General Motors-Holdens Pty. Ltd., which has 44 p.c. of its Australian workforce located in South Australia, recently

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announced plans to expand its Elizabeth Plant at a cost of \$8.7M. This expansion will mean the establishment of a \$3.7M. motor body hardware facility and the extension of the metal stamping plant at a cost of \$5M. Another project ^{RECENT} (announced in ~~1970~~) was the expansion of the APCEL Pulp and Paper Mill near Millicent in the South East of the State. Forests operated by the South Australian Government in the area will be expanded to fulfill the increasing demand for pulping, particle board, and sawmilling material by the company. These forests currently supply 37 p.c. of Australia's softwood production.

Other developments of importance include the establishment in Adelaide of a joint company by Wilkins and Mitchell Ltd., and Johns and Waygood Perry Engineering Ltd., to design and make machine tools including mechanical and hydraulic presses; the establishment at Elizabeth of a \$1M. self-adhesive industry by Fasson of the Netherlands, a subsidiary of the U.S. company, Avery Products Corporation; and the further establishment of a \$5M. plastics industry just north of Adelaide by Nyllex Corporation Limited.

Progress in South Australia has not been confined to industrial development. As a result of significant discoveries of ore bodies over the past few years new mining enterprises have been scheduled for Kanmantoo, Burra and Mt. Gunson.

Petroleum exploration is running at record levels in this State with some 30 wells scheduled involving an expenditure exceeding \$15M. The recent discovery of oil in the Cooper Basin in

the North East of the State marks a significant break-through in exploration and points to the probability of the occurrence of other oil pools in the area.

The introduction of natural gas with the opening of the pipeline from Gidgealpa-Moomba to Adelaide, marks a new era in industrial growth of the State. Further discoveries of natural gas have been made in the same area and there is a strong possibility that natural gas may be marketed outside the State.

Another most important development of 1970 has been the discovery of Australia's first sedimentary uranium deposit in the Paralana-Lake Frome area. Most of the world's important uranium deposits are in the sedimentary form, but hitherto Australia's reserves have been in hard rock deposits, with the associated difficulty in mining and extraction.

The South Australian Government is certain that, with its highly skilled industrial workforce spread over a large, sophisticated industrial and technological base, the State has the potential to set the pace in Australian development. The advantages of establishing in South Australia are numerous. Industrial land near the State capital of Adelaide is readily available, and low-priced land in fully serviced industrial estates 17 miles from the heart of the city can be obtained for less than \$4,000 an acre.

Building costs here are low and the S.A. Government through the South Australian Housing Trust will build factories for industries on either a purchase or lease-purchase basis.

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Power costs are competitive with those in other Australian States. Adelaide has no transporation or smog problems. The South Australian climate presents a number of advantages to industrialists, with an average of 7 sunshine hours per day - one of the highest in Australia. The State's humidity is one of the nation's lowest resulting in a considerable reduction in corrosion problems.

South Australia has a low wage structure, and average weekly earnings are between 8 p.c. and 10 p.c. lower than in the other major Australian States.

Although South Australia has more than 9 p.c. of Australia's civilian employment, working days lost through industrial disputes during the last 5 years have totalled only 4.7 of national figure.

Despite its smaller pay packets, the State's low cost structure enables people to enjoy a standard of living eqqal to that in any other part of Australia. This is demonstrated by the fact that South Australians have more motor vehicles per capita than any of the Eastern Australian States.

The developments which have already been announced in 1970 suggest the strong role South Australia will play in developing both new and existing industries, particularly those centred around the new technologies. And in this South Australia will take the lead as an active trading partner with countries throughout the Asian and Pacific region.