



Archived at the Flinders Academic Commons:
<http://hdl.handle.net/2328/27231>

This is a scan of a document number DUN/Speeches/0764
in the Dunstan Collection, Special Collections, Flinders University Library.
<http://www.flinders.edu.au/library/info/collections/special/dunstan/>

Title:

Press statement - Early start for Industries Assistance Corporation

Please acknowledge the source as:
Dunstan Collection, Flinders University Library.
Identifier: DUN/Speeches/0764

© Copyright Estate Donald Allan Dunstan

PRESS STATEMENT: 15/4/71.

Pr.D. 46/71.

FROM: THE PREMIER (MR. DUNSTAN)

Early Start for Industries Assistance Corporation.

South Australia's new Industries Assistance Corporation, an important advance in developing secondary industry in the State, is expected to be in operation within two months, the Premier (Mr. Dunstan) announced today.

The Industries Development Act Amendment Act which creates the new Corporation received formal assent at Executive Council today.

Mr. Dunstan said work would now begin immediately on setting up the new body.

"Establishment of the new organisation, one of the major parts of the Government's programme for further industrial development, will fill an important gap in providing financial assistance for industry in this State.

"Formation of an organisation such as this at State level represents a significant breakthrough in providing support for new and expanded productive ventures", the Premier said.

The Corporation will be able to assist smaller industries, at an early and often critical stage of their development which may find it difficult to obtain bank of institutional finance on acceptable terms.

"It will be able to assist industry in both city and country areas and will thus have a major role to play in decentralisation of industry in this State," Mr. Dunstan said.

It will be able to in approved cases make nonrepayable grants for development and research to country industries and to lend money to industries anywhere in the State with deferred interest payments.

In appropriate circumstances, where industries are likely to be profitable but under-capitalised, the Corporation will be able to take up share capital, subject to a favourable recommendation from the Parliamentary Industries Development Committee.

Until now the Government's means of assisting industry have been limited to the Housing Trust's ability to build factories and for

industries which are able to obtain commercial loans to receive Government guarantees.

The new Corporation will be controlled by a five-member Board. Three of its members are expected to be selected from the Public Service and two to be drawn from outside.

The Corporation will have a small staff and is expected to draw on existing Departments, such as the Industrial Development Branch of the Premier's Department and Treasury, for the necessary enquiries, investigations and reports.

It is authorized to borrow from the State Treasury and other sources approved by the Treasury. The Premier said it was proposed to limit total borrowings, at least for the time being, to \$3M.

"The new Corporation will make it possible for the Government to ensure that both financial and managerial know-how is provided so that South Australia's overall employment and development opportunities are increased.

"The Government will thus be able to directly assist where it sees real development opportunities and to provide new, and potentially important, ventures with help in their formative stages", the Premier said.