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SOUTH AUSTRALIAN DEVELOPMENT.

BY DON DUNSTAN, PREMIER OF SOUTH AUSTRALIA.

South Australia, one of the major manufacturing complexes in the country, has a potential for further industrial and mineral development second to none in Australia.

The value of mineral output in South Australia has risen 12% in the past calendar year and exploration continues at a record level.

This means there is every prospect that our already remarkable growth in this area will be maintained or even improved in future years.

The Mineral industry has always been important to South Australia. It was the copper discoveries of Burra, Kapunda, Wallaroo, Moonta and Blinman which established the economy of the State during the last century. Not only did these discoveries add wealth to the economy, but they were responsible for rapid population growth by immigration, and for the establishment of thriving country towns.

Mining ^{makes} ~~has~~ this most important contribution to the city oriented Australian industrial systems - it necessarily and successfully establishes new centres of population usually in remote areas. With the final closing of the last of the South Australian copper mines - the Moonta Mines - just after World War I, the mineral industry in this State has for nearly 50 years been dominated by the iron ore mining enterprise of The Broken Hill Pty. Co. Ltd. in the Middleback Ranges.

The Company has now quarried more than 116 million tons of ore and has high grade reserves to maintain its present production for 40 years. In addition, it has enormous low grade reserves capable of commercial beneficiation.

The establishment of the townships of Iron Knob, Iron Baron, and Whyalla, are examples of industrial decentralisation based on mining. With iron ore as a major mineral contribution, the State is also the main national producer of industrial non-metallics.

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These include gypsum for the plaster industry and barytes. Talc is also an important production from South Australia, the principal mine is in the Northern Flinders Ranges with production also at Gumeracha.

South Australia is favoured by particularly suitable conditions for the solar production of salt from sea water. Major producers are Imperial Chemical Industries of Australia and New Zealand Limited in the Dry Creek area; The Broken Hill Pty. Co. Ltd. at Whyalla; Ocean Salt (Extended) Pty. Ltd. at Price, and to a lesser extent at Lake Bumbunga (Australian Salt Co. Ltd.); Waratah Gypsum Pty. Ltd. at Stenhouse Bay and Lake MacDonnell are also producing important quantities of salt. South Australia has almost a world monopoly on the production of opals. The two major fields at Coober Pedy and Andamooka each support townships of more than a thousand people, with an annual production valued at more than \$13 million.

In addition to these minerals, the mineral industry plays a major role in the every-day industrial and urban growth of the State. Rock products for road construction, concrete production, sand for all purposes - these are the basic raw materials for industrialisation.

The many mineral discoveries made in Australia during the last decade has influenced the industry to redouble its exploration efforts. The 80 companies now involved are operating some 160 exploration tenements involving in excess of 73,000 square miles in area. Each year some \$5 million is being spent in this State on exploration programmes.

Particular interest is being taken in the search for copper, but most other economic minerals also are being investigated. North Broken Hill Ltd. is systematically exploring the Wallaroo-Moonta area; Mines Exploration Pty. Ltd. is working in the Mutooroo area, and with conspicuous success at Kanmantoo. The Company is developing an important open cast copper project here which will produce 7000 tons of copper per year.

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It is involving a large capital expenditure in the construction of a modern treatment plant and facilities.

Samin Ltd. is in operation at the old Burra Mine aiming at a production of 2000 tons of copper per year. These new producers will add a further \$10 million to the value of minerals produced in addition to new decentralised employment opportunities.

Another Company which has been an active explorer for some years is Electrolytic Zinc Company of Australasia Ltd. It has proved an important high-grade zinc orebody north of Beltana, and is continuing exploration in the area.

There has been a growing interest in uranium exploration, especially in the Northern Flinders Ranges.

Petroleum exploration is also running at an all time high involving an expenditure exceeding \$15 million and offshore drilling will resume again this year.

The discovery of oil at Tirrawarra in the Cooper Basin in the north-east by Bridge Oil N.L. marks a significant break-through in exploration, and points to the probability of a commercial oil field being located in the area.

In addition to this successful well, new gas fields have been discovered (in addition to Gidgealpa and Moomba) at Daralingie, Toolachee (both Delhi-Santos); Merrimelia, Mudrangie, Packsaddle (Alliance Oil Development Australia N.L.) and Delta Strzlecki (Pursuit Oil N.L.), Coonatie (Flinders Petroleum) and Moorari (Bridge Oil). Further drilling is needed to confirm and measure reserves, but it is apparent that these discoveries contain enough gas to warrant major development and the successful acquisition of the Sydney market provides the incentive for this.

The introduction of natural gas to Adelaide from Gidgealpa and Moomba marks a new era of industrial growth.

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The discovery and development of the Gidgealpa-Moomba field by the Delhi-Santos Companies is a major contribution to the State's continuing growth and welfare.

The Government of South Australia is heavily involved in all these mineral developments. Through the Department of Mines, the Government expends some \$2½ million annually in assisting and service to the industry, all of which is recouped in rents and royalties and services.

The establishment of the Australian Mineral Foundation on land contributed by the Government at Glenside, is another important development for the mineral industry on a national scale.

Already the national contract research establishment, known as The Australian Mineral Development Laboratories (Amdel) is in this area, and the new Foundation will gather together a complex of library, information centre and training facilities for the service of the Australian Mineral industry. A magnificent gift of \$1 million ensures a first-class building for the Foundation.

But mining is only one aspect of South Australia's development. With the completion of the Indian Pacific standard gauge link, South Australia's position as the central State has become more important.

The planned linking of the standard gauge to Adelaide will enable manufacturers in the industrialised areas of the State to have unimpeded access to all mainland capital cities. Even before this link is completed, the Whyalla industrial complex will become part of this network through the construction of a new line between that city and Port Augusta. The rationalisation of the railway transport system will contribute to the development of industry in the north of the State and to the regional industrial complex of Whyalla, Port Augusta, and Port Pirie.

The increasing attention being paid to South Australia by

developers reflects the attractiveness of this State in the light of the overcrowded industrial scene on the eastern freeboard of the continent.

The decentralisation plans being implemented by the Governments of New South Wales and Victoria show the difficulties that are being experienced in those States in the growth of manufacturing industry.

With its well-planned industrial estates north and south of the city and attractive locations throughout the State, South Australia continues to attract many industries.

International firms making their first appearance as manufacturers in Australia regard South Australia as a very favourable location at which to manufacture and distribute their goods.

Not only is South Australia attractive to industry but it provides a pleasant, most gracious atmosphere for living; a quieter tempo and yet a climate for greater productivity.

This ~~climate~~ will be further enhanced by the programme of social legislation by the present Government.

In a growing society that is attracting industry, it is important for its work-force to have good housing.

South Australia has already shown the way in major housing development with the establishment of the city of Elizabeth.

The satellite city houses 50,000 people, contains 54 industries including a huge General Motors-Holden's complex, and is served by ten shopping centres, 24 schools and a major town centre. Its population in the early seventies is expected to reach 70,000.

Work is underway on another major housing development.

Known as the West Lakes Scheme, the \$200 million project will cover 1,660 acres of swamp-land in the western area of Adelaide.

Industrial development has continued at an increasing pace this year.

Among the most significant recent announcements has been the establishment by B.H.P. Ltd. at Whyalla of an \$866,000 pilot

plant to upgrade low grade iron ore, likely to lead to a full-scale plant costing \$10 million.

Australian National Industries have announced plans to set up a new \$2.7 million production press forge plant at Dry Creek, a new industry for the State.

Tolley, Scott and Tolley Ltd. are spending nearly \$1½ million on winery additions at Nuriootpa.

Fletcher Jones and Staff Pty. Ltd. are establishing a \$100,000 new clothing factory at Mount Gambier.

But, despite all this expansion, South Australia's economy is still vulnerable.

^{Some} 71% of our industries lie in the consumer durable fields with more than three-quarters of production being sold in the eastern States. Whenever the national economy takes a down-turn, whenever the Federal Government decides that it must reduce consumer spending South Australia's products are the first things people stop buying.

This has resulted in the introduction of a vigorous Government programme to remedy the situation.

We have adopted a three-pronged policy to stimulate decentralisation, attract new industry and expand export sales.

This includes the creation of a new Industrial Assistance Corporation to provide finance for young industries, appointment of trade representatives and agents in South East Asia and Europe and greatly increased Government assistance for industrial design.

We are also launching a programme to bring in more tourists to South Australia, to make Adelaide one of the major Pacific convention centres and to capture a slice of the international tourism market.

In all this we have the advantage of a fine climate, natural beauty and a high-skill workforce spread over a large, sophisticated industrial and technological base.

We believe we are well on the way to achieving our goal of making South Australia the country's pace-setter State.