



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

This is a scan of a document number DUN/Speeches/3300  
in the Dunstan Collection, Special Collections, Flinders University Library.  
<http://www.flinders.edu.au/library/info/collections/special/dunstan/>

**Title:**

ALP Broadcast from Station 5KA presented by Don Dunstan, Member for Norwood

Please acknowledge the source as:  
Dunstan Collection, Flinders University Library.  
Identifier: DUN/Speeches/3300

© Copyright Estate Donald Allan Dunstan

A.L.P. BROADCAST FROM STATION 5KA 13/2/61

PRESENTED BY DON DUNSTAN - MEMBER FOR

NORWOOD

Good Evening,

On coming to work last Friday employees of General Motors-Holdens Ltd. found on the notice board of the company this notice:-

"General Motors-Holden's has been forced to reduce its production schedules because of the drastic drop in the sales of new and used motor vehicles which has affected the entire automotive industry since the Commonwealth Government introduced credit restrictions and increased the sales tax on passenger vehicles from 30% to 40%.

The Managing Director of G.M.H., Mr. H.W. Gage, in announcing this today said that this cut in production would have to be substantial and would affect the complete range of the company's vehicle products comprising Holden, Vauxhall, Chevrolet, Pontiac and Bedford.

Mr. Gage said this reduced output from its plants in all mainland States would mean a reduction of the company's labor force in excess of 2,600 employees over the next two weeks. While this figure is a substantial one, it must be remembered that G.M.H. supplies nearly half of Australia's new vehicle requirements. This retrenchment is greatly regretted, he said, but with sales at present levels, there is no alternative. The Company has done everything it could to avoid such a situation and has delayed taking action as long as possible. This reduction in the labor force breaks the steady build-up that has taken place since the Holden was first introduced in 1948 when GMH employees totalled 8,500 compared with today's total of 21,500.

Mr. Gage stated that he hoped the conditions which had been created and which made this action necessary would be of short duration. When sales improve, production schedules will be revised and GMH is geared to increase its output at short notice. When this happens the required employees will be rehired from those retrenched wherever possible.

The curtailment of new car production will also have serious repercussions on the many hundreds of suppliers of parts, components and materials to the industry. Unfortunately, these repercussions, he said, are sure to involve substantial retrenchments by these companies who rely largely on the motor industry for their existence."

It cannot be overemphasised what a disastrous effect this cut in employment in S.A.'s major secondary industry will have. As the company has said, the putting off of its employees will not be an isolated act. The reduction in

production activity must produce unemployment in supply industries.

We look like facing the worst economic situation this State has known since before the war - worse certainly than the situation we had in 1953.

There can be no doubt whatever what has produced this situation. The economic measures of the Menzies Government, supposedly designed to curb inflation and reduce imports, will undoubtedly produce unemployment misery and hardship as the lot of a host of working class people.

Prominent supporters of the Liberal Party itself have castigated the Government in the most scathing terms for what they have done, and their predictions, like those of Labor leaders have come only too true.

What was the alternative. Australia's economy could expand without undue inflation and without loss of full employment provided the Government exercised a series of interrelated controls - capital issues control, import control, control over hire-purchase and insurance credit, so that we could effectively plan for a stable development and knowing where we were going would not stumble into alternate booms and busts.

But of course to make capital issues control effective, to plan effectively for Australia's investment, we would have to have constitutional amendments. The Labor Party members of the recent constitutional review committee and all the Liberal members except one, supported amendments designed to give Government the necessary powers over the economy. But the Government has refused to implement the committees recommendations and prefers instead the present inept measures, rather would they let the people starve than that the elected representatives of these people should have power to protect and develop the economy.

And when I say starve that's no exaggeration. A married

man with a family is expected to live, if unemployed, on a maximum of 26/2/6 per week plus child endowment. As the child endowment payment these days is slight in real value, the 10/- paid for each second and subsequent child when Labor left office has not been increased in amount and is worth in real value today only about 5/- - the child endowment then is not much help.

A man wife and three children where the man is unemployed will have a total family income of 23/5/- for the man, 12/7/6 for his wife 10/- allowance plus 5/- child endowment for the first child and 10/- child endowment for each of the other two children. In all this comes to 47/7/6. Of course they can get a small amount extra in Public Relief from our State Government, but that is treated as a loan to be paid back when they are in employment once more, so many will refuse the doubtful comfort of public relief.

How is such a family, a family of average size, to make ends meet; to pay rent or mortgage payments; to pay for adequate food, clothing, fuel, fares and the like. I don't see how it can be done. The Government expects such a family to live on significantly less than the base pension rate for an age pensioner couple - and heaven knows no one can call that princely.

We can expect the concomitant woes of increased unemployment, housing difficulties, repossession of goods on hire purchase and lengthy procession to the U.J.S. Court.

It looks as if the year 1961 is one in which the people will want to pass an adverse judgment on the present Government, and fortunately they will have the opportunity. The only dismaying thing is that we will have to wait till November to do it.

Goodnight.