



Speech by the Prime Minister, Mr. Harold Holt

OPENING OF MURRAY 1 POWER STATION

KHANCOBAN, N.S.W.

22ND JULY, 1967.

Mr. Fairbairn; Mr. Morton representing the Government of New South Wales; Mr. Rylah the Government of Victoria; and Mr. Riches the Government of South Australia; Mr. Courtney representing Her Majesty's Opposition in the Federal Parliament; Mr. Pettitt representing the Country Party; Sir William Hudson; Mr. Raymond Hill; Mr. Wilkinson, Mr. Thiess, Mr. Perini and Mr. Loutit who are all representative of Contractors who participated in this great scheme; and also Mr. Rodd; and then the Commissioners; Mr. Dann and the Assistant Commissioners, Messrs. Warrell and Skinner; Your Excellencies; ladies and gentlemen:

I felt I should give you that full introduction because it helps to demonstrate just how many people and interests have been participating in this magnificent scheme. I come to the Project today, not to the Snowy Scheme generally for the first time, but perhaps not as often as I should or would have wished, usually concerning myself with the Snowy Project from the documents which reach us in Cabinet, the graphs, the diagrams, the pictures, the statistics and the narrative; and we sit around the table as each year the Minister puts his bid (as the Treasury rather indelicately calls these approaches from Departments) and we consider what we should apply for the needs of the Snowy Mountains Authority in a particular year. But I find it a very different thing from doing that to come to what is for most of us a rather remote area and to see carved out of the native wilderness this magnificent engineering project.

I don't know how most of you feel about it - as most of you no doubt close to the project itself have become a bit blasé about it - but to me it is a stirring thing to feel that here in this young country of ours we have added this magnificent engineering achievement, this further stage in what has been a most imaginative, ambitious Australian project, the largest and in many ways the most successful that we have ever undertaken. And it spells out quite a few things to us as we have heard the Minister give us his story - it was a very good story, I thought, because it absorbed about five of the best points I had hoped to make to you here this afternoon. But, be that as it may, as he unfolded this story we had a picture before us of the happy combination of Government decision and planning with the enterprise of competitive entrepreneurs, themselves setting out to give the best service they could on a tender basis, and how successfully that has been demonstrated by the Minister in his speech.

I was certainly most impressed - and it couldn't have been a more timely tonic to me, having come from three days, afternoons and nights of Cabinet discussions on the Budget - to find at least here is one section of the Australian economy measured in terms of Government financial provision which is keeping inside its Budget allocation, inside its estimate, and producing the results inside the scheduled time. That is a matter for congratulation, of course, to all concerned.

The other thing which must strike anyone who cares to think about the matter at all, sitting in this great building, is how well we do in Australia to recognise that with less than

12 million people trying to develop a continent the size of the United States, we make the machine and we make power come in aid of our quite inadequate population.

Here, I suppose, the actual manpower involved in operating this equipment, which will bring to New South Wales and Victoria the additional electrical power to assist industrial growth in those States, will be quite minimal when compared with the outpouring of power from these impressive machines. So we have much cause, not only for congratulation for those who have contributed to the enterprise, but of self-congratulation as a nation that we are seizing the opportunities available to us and making machine and power serve the needs of the Australian population.

This is the first phase, I am told, of the Snowy/Murray diversion. The three earlier power stations already opened - Guthega in 1955, Tumut 1 in 1959 and Tumut 2 in 1962 - have a combined capacity of six hundred and sixty thousand kilowatts. This new Murray Power Station is larger than all of them together, with a capacity of nine hundred and fifty thousand kilowatts.

It is important to see this particular occasion in its full context. Immediately, this power station marks the first completed project in the second half of the two-pronged Snowy development. Today's opening represents the expenditure of two hundred million dollars - one quarter of the estimated total cost of the scheme of eight hundred million dollars, and the revenue already received is of the order of one hundred million dollars. So the Government is not only getting this project completed within the time allowed for it and within the cost estimated for it 17 or 18 years ago, but it is getting its money back on time as well.

It goes without saying that there has been great skill both in planning and execution to bring a project as large as this to its present stage without excesses of cost or time. There must by now be many thousands of Australians to whom the nation should be grateful for this achievement and not really our fellow Australians but all who have contributed from whatever country to this project. I am sure that the Ministers responsible, Sir William Hudson (who so richly deserves the tribute warmly accorded him by the Minister), our able present Commissioner, Mr. Dann, would all want to be amongst the first to pay tribute to the many thousands of workers, many of them recruited from overseas, whose untiring work has brought all this about. Nor could it have been achieved without the work of the many engineers, skilled in a wide variety of disciplines and techniques, who helped plan it all and watched over its successful achievement.

In this spirit I am sure you will recognise my motive if I permit myself to mention specially the various Ministers in successive Commonwealth Governments who have played their part of leadership in the project. There was first Mr. Nelson Lemmon, Minister for Works in the Chifley Government; and then successive Ministers in our own Governments since the end of 1949; our present Governor-General, Lord Casey; the late Sir William Spence; and now my colleague Mr. Fairclairn; and, together over the past years since 1949, they have been responsible for bringing this scheme towards its full maturity. I should also mention the willing and effective co-operation in this great scheme that we have received from successive Premiers of New South Wales and Victoria and their Public Works Departments and Electricity Authorities, and of course the South

Australian Government has also had a close interest in this development.

Behind them all as guiding and guardian angel has stood Sir William Hudson. In fact, it might also be called "The Hudson Authority", so closely has he been associated with it. We are very glad to see him here today and the nation owes him the congratulations and thanks already voiced by my colleague. We all join in wishing all those concerned, including Mr. Dann and his colleagues, successful progress as they carry on the good work.

The fact is, of course, that the Snowy Project, although it serves directly in principle two of the major States, is a national achievement and serves national purposes. It has been warmly supported by all political parties and all of us, as Australians, can take pride in the example it has set us in many fields. It has been the product of successful co-operation between the Commonwealth and the State Governments, between management and workers. In a sense it has been an international project as the flags that you see around you here today will help to indicate. International in that some 33 nationalities are represented amongst the employees of the Snowy Scheme and amongst the contractors and the suppliers there are of course many countries represented as well. Failure in any of these important relationships would have materially affected the successful working of the project but, quite obviously from the results, that cooperation has been close and effective.

I now want to say a word also, as my colleague did, about our attitude to the future of the Snowy Mountains Authority. It will be immediately recognised that a good deal of the success of the organisation springs directly from the fact that they have been associated with a project so exciting in itself, the nation's largest single effort at development. In a sense, the very name the Snowy Mountains Authority implies that its role ends once the Snowy Project has been completed. There would be understandable criticism if the Authority were retained fully in its present form without any major project to sustain it and I am sure nobody, least of all those associated with it, wants to see the Snowy Authority to turn before our eyes into a sort of white elephant.

But there are skills and experience gained in the course of this great project which it is eminently desirable to have continue serving the national interest and, with this in mind, the Government has turned in a responsible and constructive spirit to seeing how much of the very valuable skills and experience now existing in the staff of the Authority could be retained for further projects of national importance. After a great deal of thought, it has become clear that elements of the investigation, design and scientific services staff, including the hydraulic laboratories, could very usefully be retained. Staff in these sections will not form a nucleus for construction activities but, with their specialised skills, will be available to assist in major civil engineering work. It is in this field particularly that the Authority has justly earned Australian and even world-wide acclaim.

We found that Commonwealth and Territory programmes were not in themselves on a scale sufficient to maintain even these important skills, so we approached the State Governments who have themselves of course large constructive authorities, to see if they had suitable civil works in which they would be prepared to engage the Authority on a scale which would sustain a workable organisation. It now seems that the States individually would not have sufficient work to justify retaining the specialised and necessarily expensive skills of the Authority. But we find that their combined needs would justify maintaining the specialist staff I have mentioned. So we can see an

important future for those who remain with the Authority. It is a future which I like to see as spreading the successes which have attended the Snowy venture into many parts of the Continent, and overseas as well, in support of our Colombo Plan projects.

Just before we came here, Mr. Dann very kindly presented to my wife and myself a beautiful small table made up of stones taken not only from projects in the Snowy area, but also from those projects which the Snowy Authority has assisted in overseas as part of our Colombo Plan arrangements. This will be a constant reminder to me that there is a usefulness in the Authority which stretches even beyond the border of this country.

I am sure we can see the future of the Authority in this way as forward looking, constructive and efficient. There will be no need to look back with regret on the disbanding of a highly efficient organisation geared to achieve a very special purpose. Rather, we will be looking forward to a new Authority holding together important specialist services and we will be seeing those not needed for this purpose taking the skills they have learned and applied in the Snowy project out into the highways and plains of Australia and perhaps into other parts of the world in our immediate neighbourhood. And in this connection, Mr. Morton, we were delighted to learn that the offer we made to the Government of New South Wales that the advisory and designing services of the Authority could be made available on suitable terms to your Government in relation to the Eastern Suburbs Railway, has been gladly accepted by the Government of New South Wales.

Turning to development generally, there will always be found, of course, critics to argue that a government is not doing enough for development. This Government, we believe, is doing a very great deal and we turn to the facts to tell that story for us. There has been, over recent years in particular, a remarkable development in Australia both by private enterprise and by public authorities. The result has been that Australia devotes a greater proportion of its national product to fixed capital investment than does any other major country in the world with the exception of Japan. That is the only country that surpasses Australia in what it reserves from its gross national product for its fixed capital investment. Our percentage is in the neighbourhood of 27% of our national product compared with just under 25% in Canada, 24% in New Zealand, and around about 16% or 17% in the United States and the United Kingdom. This investment comes very largely from our own domestic savings. We take pride in having an economy which can and does produce savings of this order and a people responsible enough to accumulate them in a continent which cries out for development.

Over the past ten years there has in fact been an increase in the percentage of our gross national product devoted to capital expenditure by public authorities. Ten years ago a little over 3 per cent of G.N.P. went to public authority investment. Now it is a little over 4 per cent and that is just short of the total percentage of our G.N.P. that we now apply for defence purposes. This increase reflects the concern which we and other Governments have with providing our fellow Australians with their basic needs. But the smallness of the figures underlines at the same time the wide scope left for the rest of the community to plan and execute its own investment decisions.

In its own field of expenditure the Commonwealth has continued to place great emphasis on capital works. If defence expenditures are excluded, the proportion of expenditure from revenue devoted to capital works has over the past 10 years remained over

10% of the total and, as I shall mention in a little more detail later, this has been coupled with rapidly increasing grants to the States for important capital works.

The place of the Snowy project in the Commonwealth's own capital works programme is interesting. In 1949-50 we spent 5 million dollars on the Snowy and that was 4% of our total capital works expenditure. The peak of expenditure on the Snowy was in 1959-60 when we spent 56 million dollars and it occupied no less than 20% of our capital works budget. As the Scheme nears fruition and as other capital works projects are developed, the proportion of the Commonwealth's capital works expenditure devoted to the Snowy has now reduced to about 10%, but this is one demonstration of the broadening of the Commonwealth's developmental activities.

In the late 1940's there was a concentration on the Snowy project. That was due partly to its size but partly, I suggest, because there were not many other major projects being developed. With our new emphasis on development at particular places and to meet particular needs, the number of active developments has increased enormously. In the private sphere there are at present associated mostly with mining some of the biggest projects being carried on in Australia today. In the public sphere the concentration is on transport and on water. Western Australia and Queensland in particular are benefiting from the 50 million dollar programme for the construction of beef cattle roads. Western Australia and South Australia are benefiting from the Commonwealth's expenditures on rail standardisation - in Western Australia alone the Commonwealth has provided some 53 million dollars since 1962-63 for these purposes. New South Wales and Victoria have benefited from the Snowy Scheme itself and from other assistance given by the Commonwealth. I think, for example, of the development of coal loading works at Newcastle, Port Kembla and Balmain in New South Wales, of the railway standardization and the Murray River developments, including the Buffalo and Chowilla Reservoirs in Victoria. In Tasmania we have agreed to assist with the financing of the Gordon River Project which will accelerate hydro-electric development in that State.

In addition to these projects, the Commonwealth has been active in promoting the national water resources development programme which was announced in my policy speech last year. Through this scheme we are wanting to extend the conservation and use of water in rural industry and Australia surely is a country which desperately needs development of this kind. There are many other projects related to water use and conservation with which the Commonwealth has been associated. I hardly need rehearse these, but they show how importantly we rate the efficient use of water and how widely spread are the projects we are willing to assist.

In all of these projects we are trying to take a national view. The money and resources being devoted to them are too important and too scarce to waste. We cannot afford inefficiency or laxity to enter into our decisions about development projects. We have made them, and will continue to make them, on the basis of judgments about their economic importance and their national significance. Much as we all would like to see our own particular local projects prosper, the national government will only be serving the people best when it endeavours to see parochial considerations in their national setting and act in the interests of the nation as a whole.

As I have suggested, our concern for development has extended beyond the projects undertaken by the Commonwealth and its instrumentalities. In this, the Snowy Authority is an example of what is becoming a firmly established Commonwealth policy.

We recognise that both the national and the State Governments can and should play significant parts in the development of Australia. The Snowy has been one such development. As it draws to its conclusion, the important skills it possesses will be made available to all public authorities throughout the Commonwealth. Likewise, we have accelerated greatly our grants to the States for capital purposes. Ten years ago these grants totalled only 60 million dollars; last year they totalled 257 million dollars and will be over 325 million dollars this year. It can be seen that, far from the Commonwealth's expenditures on its own capital projects declining as expenditure reduces on its greatest single project - the Snowy Scheme - they are, in point of fact, rapidly increasing. Further, the emphasis is on partnership with the States in the interests of the nation as a whole.

Turning now to my immediate task today, it is to open the Murray 1 Project. I am told that each of the 10 generating units in this station can be started up automatically by the closing of a switch in the control room. For the purposes of today's ceremony I have been told to close the switch in front of me. Now I add that any member of my family knows that my mechanical ineptitude is a matter of notoriety. At one point you are asked not to leave this place until we have done so. I asked Mr. Dann what closing a switch meant - whether you pushed it forward or pulled it back. I regret to say he wasn't too sure himself and I hope that if I pull it the wrong way, you all don't leave this place before I do. However, I have since been comforted by the information from Mr. Dann that it only moves in one direction. So, by a fairly simple process of trial and error, we shall get there. When I do eventually successfully pull it in the right direction, the Number 1 unit will start its full automatic sequence - if everything goes according to plan - and will be connected to the line for the generation of power. It, and the nine other units, will each be able to produce 95 thousand kilowatts of power for the grid which links New South Wales and Victoria for power purposes. I understand that, apart from the noise you have already heard, you will hear some noise from the turbine valve when I close the switch and the water begins to turn the turbines. Within about 20 seconds the machine will begin to rotate and then two minutes later the turbine will be producing full power.

So, as I now close the switch, I have much pleasure in declaring open the Murray 1 Power Station.

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