



PRIME MINISTER

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ELECTORATE TALK

The announcement of a significant oil find in the Bass Strait reminds us our country's great natural wealth. It reminds us that in a very true sense we are a lucky country, endowed with rich and abundant mineral resources required by countries throughout the world.

When the Coalition Government was first elected, one objective was perfectly clear -- we had to reverse Labor's policies that had stifled mineral exploration. We had to restore the mineral industry to its former role and to set about re-establishing Australia's credibility as a sound and safe place for investors. Our policies are succeeding.

We have to look to the industry itself to energetically seek out opportunities, seek out customers, marshal the necessary capital and then carry out development.

In Australia there are now a number of significant resource investment undertakings involving a total cost of about \$2 billion now under construction. Some of the major works are the Gregory and Norwich Park coal projects, expansion by the Western Australian iron ore producers and further development of the Bass Strait petroleum reserves.

New capital expenditure in mining is expected to be in excess of \$800 million in 1977/78, an increase of 70 percent over the previous year, indicating the success of our policies.

The North West Shelf Gas Project joint ventures are carrying out their preliminary design work. The Gove Partners have announced their decision to carry out a feasibility study for the construction of an aluminium smelter. An aluminium smelter at Gladstone is proposed and new bauxite/alumina projects are under consideration for south west Western Australia.

Coal continues to provide evidence of its bright future. Companies have been announcing substantial progress towards the negotiation of long term sales contracts for steaming coal with buyers in Japan, South Korea and Israel. Contracts have been announced with Japan, Brazil and South Korea to cover the initial planned production from the Gregory Project. It's those kinds of investment decisions that demonstrate a tangible faith and confidence in Australia's future.

The mining industry is a great national enterprise. It provides -- and will continue to provide -- wealth, expansion and jobs for Australians. It will provide jobs not only for its own industry, but in many other areas which supply goods and services to the mining industry. But for private enterprise to take risks and to take the opportunities the Government also had to restore the basic soundness of our economy. We had to make our industries more competitive on world markets. Simply put, it meant an all-out attack on inflation.

Without control of inflation -- and without the Government being seen to act decisively and successfully in the fight against inflation -- there could be no basis whatsoever for confidence among investors and those looking to Australia.

Our inflation rate today is now below that of most of our major trading partners, and it is still falling. The gross imbalances in the economy that occurred during the Labor years are slowly being unravelled and corrected. Confidence is returning within Australia, for we only have to look at the national share market, where many tens of thousands of Australians are demonstrating their faith in the future of their country through the investment of their hard-earned savings.

Companies and investors around the world are also looking again at Australia with renewed confidence. It is a fact that Australia is now being compared with West Germany as one other country where secure and long term investment can take place in the knowledge that governments are pursuing the right economic policies.

The decade of the 1980's will be an exciting one for Australia. Our country will reap the rewards of a sound economic base and begin to realise fully our great potential.

To the forefront of this new era in growth and prosperity will be Australia's great mining industries. In partnership on a fair sharing basis between local and overseas investors we will be able to take advantage of our great natural wealth. Our minerals will be more competitive on world markets because we will have an economy that is sound, with low inflation, low interest rates, and a proper balance in all arms of economic policy.

As a Prime Minister, I share the confidence that many thousands of Australian investors are now showing. I share the increasing confidence of investors and governments around the world in the performance of this Government.

We have much to be proud of in Australia. Much to look forward to. Working together -- with a common purpose, a sense of cohesion - we can fulfill our country's great promise.