

OPENING OF THE NODULAR IRON FOUNDRY

AT GENERAL MOTORS-HOLDEN'S FACTORY
FISHERMEN'S BEND VICTORIA

Speech by the Prime Minister, Mr. Harold Holt

10th February, 1967.

Mr. Wilson, Mr. President of the Senate, my colleague the Minister for Labour and National Service, and many other distinguished guests that I see in front of me here this afternoon, and my greetings to the employees of GMH who are also here with us.

It's a personal pleasure for me, Mr. Wilson, to have this opportunity of saying welcome to another important addition to Australia's range of manufacturing capacity. You have pointed out that there are few such foundries as this to be found outside of North America itself and I gather from the information you've been good enough to supply to me, that not only will this new and valuable equipment be able to supply your needs here in Australia, but that you have a market for its products already with your Vauxhall plants in the United Kingdom, and that the crankshafts manufactured here will go to supplement the other automotive parts which already are being sent to the United Kingdom from Australia. A quite remarkable achievement in itself.

It is, of course, well known to all Australians that the manufacturing industries of this country have been playing a growing part in our prosperous development. There are just on 60,000 factories in Australia; more than double the number we had at the beginning of World War II and the employment in those factories represents an increase of 125% on the number engaged in manufacturing in 1939. It now absorbs through the range of manufactures around Australia, just on 28% of our work force and when we look at the number of migrants whom we must place in employment if they are to build a satisfactory new life in this country, the percentage would be even higher and, certainly in this automotive industry, it would rank among the highest proportions of any section of Australian industry.

The automotive industry has become the biggest single employer in Australia today. It absorbs, whether in production or in repair, just on one in ten of all those employed in manufacturing industries, and, thanks largely to this domestic manufacturing capacity of automotive parts and assembled cars, we rank now amongst the third or fourth motorized nation per capita in the world. I like to think we rank third. I'm told there is a bit of an argument whether we or New Zealand rank third, but if you talk about modern up-to-date cars, I've no doubt that we compare more than favourably with our sister Commonwealth country which I have visited so pleasurably so recently. And so I'm here to claim that we rank third in the world, falling behind only the United States and Canada. A pretty remarkable circumstance in a country whose manufacturing history is of such comparatively recent origin, certainly so far as this phase of it is concerned. There is at the present time, as we are all made rather uncomfortably aware as we go about our daily occasions or our weekend excursions, a car for just on every four men, women and children in this country and the proportion of cars to people is tending all the time to increase.

One of the encouraging features of the growing and diversified manufacturing capacity of the country is the expanding success we have achieved in placing our manufactured exports abroad and just on 12% now in value of our total exports is made up of the products of our manufacturing industries and that percentage is tending all the time to increase. We not only make the goods but we are increasingly capable of placing them competitively with other parts

of the world and some products which formerly we imported, we are now exporting to the countries from which they came. For example, we are exporting now, as Sir Ian McLennan would be happy to confirm, steel to the United States and to the United Kingdom. And I have already mentioned one of the basic components of the motor car, the crankshaft, is to go from this country to one of the great automotive centres of the world, the United Kingdom, as an illustration of how competitive we have become.

Now, undoubtedly, one of the leading contributors to Australia's success in the automotive field has been the General Motors-Holden's organisation. They not only helped and indeed were largely responsible in the pioneering stage for establishing in Australia the techniques and the knowhow of the equipment and the large scale production necessary for successful manufacturing, but they have gone on rapidly and steadily with this process of innovation with the kind of research and development which is carried out in the technical area which I had the pleasure of opening less than three years ago.

Every now and then, somebody takes a poke at General Motors, feeling that there could be room for some Australian equity participation and I subscribe of course in principle to this concept, but it would be quite a mistaken belief to imagine that there is not a very substantial Australian equity in substance in the profitable conduct of this mighty and vast organisation here in Australia.

It now has ten plants, taking on something over 20,000 employees. Through the sub contracting and supply that it receives from other Australian owned and operated factories, there is employment given probably to another 30,000 people, and I was aware when I was Treasurer of the country how much this company contributed by way of our revenue receipts to the well being of the Australian nation. I've been doing a little research on that subject not, I hasten to assure you, with the connivance of the Commissioner of Taxes who, of course, is bound to secrecy on these matters, but I have it direct from the stable itself that since 1948 the company has paid either in company tax or customs duties or matters of that sort, a total of \$357,000,000 to the revenue of the Commonwealth, and sales tax on its products has brought us in another \$700,000,000. Now that is, I think you'll agree, a very substantial equity contributing to the funds available for defence, social welfare or the manifold circumstances that modern Governments have to take to themselves. And so I speak in appreciative vein here today for the contribution which this great company has made to the prosperous growth of Australia, to the well-being of our people and to the strengthening of the nation's industrial face.

We are these days producing a widely expanding and diversified range of products. I had to record quite recently a little talk for the 1967 Canadian Exposition. Somebody thought out the bright idea that unfortunate people visiting the Australian pavilion who are looking for a little rest and relaxation, would sit in some of the "talking chairs" we will provide. They will immediately be addressed by some notable public figure or an expert in his particular field. They asked me if I would talk about our manufactures. And this is how I happen to be so well equipped with all the statistics I have been rattling off to you. But I myself was interested to learn that included now in the range of more sophisticated products are radio telephone equipment, transistorized airways beacons, the pilotless jet aircraft we call Jindiviks, the anti-submarine guided missile Ikara, and the anti-tank guided weapon Malkara, and all of these items have found markets abroad including the United Kingdom and the United States. It's good, I repeat, to feel that not only can we do the job but we can do it on the basis that is sufficiently competitive and attractive for these products to find their way into

markets even in industrialised countries, with highly sophisticated manufactures themselves.

Now this nodular foundry is, as you've said, a comparatively rare being in the areas of the world outside of North America and it speaks volumes for the confidence your company has in the future of Australia and for its capacity to export a growing proportion of its manufactures to other parts of the world that you should have established the foundry here, that you should have been capable of doing this with Australian designers, Australian technicians and workmen and to have produced such an impressive result as we see around us here today. I am certain that you look forward to a successful life for the foundry.

I understand that one of my more hazardous tasks is to press a green button. I've never been mechanically minded, nor mechanically efficient, and if anything goes wrong following the pressing of the button it will be a case of human error, not through any fault in the equipment itself. And so, formally declaring open, as I now do, this nodular iron foundry, wishing you and your company continued success, hoping that you in your turn will one of these days become a successful ambassador abroad for Australia, joining that select company which includes Earl Daum, Harlow Gage and David Hegland, I now have pleasure in pressing the button and hoping to hell that the thing works.
