



# PRIME MINISTER

7 April 1973

STATEMENT BY THE PRIME MINISTER,

THE HON. E.G. WHITLAM, Q.C., M.P.,

AT THE OPENING OF

WESTERN MINING CORPORATION'S NICKEL SMELTER,

KALGOORLIE, 7 APRIL 1973

The opening of this smelter is more than a great new milestone in the remarkable history of the Kalgoorlie area; it is a mark of confidence of the Western Mining Corporation in the area's future. And I come here today to express and demonstrate my Government's complete confidence in the future, not just of this area, but of the future of the great and diverse resources of this vast western and northern area of Australia.

Kalgoorlie itself is in a way a living symbol of Australia's good fortune and it is a symbol also of Australia's interdependence. Some of the very worst ravages of the depression which struck the eastern colonies, particularly Victoria, in the nineties were reduced by the timely discovery of gold here. It is a matter of record that the personal and family links between the west and the east, formed as a result of the gold rush, played a key part in preventing the breakup of the Federation, or West Australia's secession from it a generation later. Kalgoorlie itself fell on hard times; yet today even the gold industry is probably in better shape than any time for the last decade. The future of the area is probably brighter than any time in its history.

I would like to give a general outline of my Government's attitude to the mineral resources of Australia and relate it to this particular resource of nickel. We have to recognise that the interests of the mining industry must be placed in the perspective of the interests of Australia as a whole. We do not ignore, but we cannot be pre-occupied with the short term interest of a particular section of the economy or a special interest within the economy. In short we have to plan for the economy as a whole, in the interests of industry as a whole and in the interests of the people as a whole.

And in such planning we have to take account of the wider international realities. We have to recognise that Australia's resources, great as they are, are not unlimited.

We have to recognise the growing concern in major industrialised countries at the rapid depletion of traditional sources of energy and raw materials. We have to see that our minerals are sold at reasonable prices in world markets. We have to preserve the interests of Australians yet unborn, to ensure that our prosperity is not bought at the price of impoverishment of future generations. And I mean not only material impoverishment but the impoverishment of their environment. We have to preserve for ourselves and for the generations to come the greatest possible measure of Australian ownership and participation in the mining industry.

These are the considerations behind the actions my Government has already taken and those that we plan to take in the years ahead.

Nickel, of course, is basically an export industry. Australian consumption is less than 8% of current Australian production so I am very much aware that this industry has been directly and in the short term, I acknowledge, unfavourably affected by certain of our measures. You know that we have placed controls on all mineral exports whether in raw or semi-processed form. We aim to ensure that exports are sold at reasonable prices on the world market. Our measures will encourage more processing of minerals in Australia, lead to greater employment opportunities, greater industry self sufficiency and ultimately to a higher unit value for our exports themselves. We can look to shipping economies for both buyer and seller. I assure you, however, that in our quest for these results we will use our powers and apply controls judiciously, selectively, realistically.

We will be applying the same common sense judgement to industries and to areas immediately affected by broader economic adjustments such as those forced on us by developments in the world currency situation. As you know we have taken certain necessary steps to protect the Australian dollar. We would have been failing in our duty to the Australian people as a whole had we not done so. No section of Australian industry should place a short term advantage against the long term well being of the whole Australian economy.

I have said that my Government is determined to have more processing of our own mineral resources. We are determined that Australians shall have a greater degree of ownership and control of their industries. On both these counts I am delighted to be personally involved in this project today. The shareholding of Western Mining Corporation is predominantly Australian and its Board of Management is completely Australian. I know that foreign companies have made overtures and these have been resisted by Western Mining Corporation. My Government will strongly support the Corporation in such efforts and such resistance.

This smelter is being located near Kalgoorlie partly at the request of the West Australian Government. It signifies participation by industry in plans for more balanced development.

It is a splendid thing that the great mining skills built up over generations in this area should be preserved and used in the area.

As a mark of our confidence, as a mark of our determination to provide opportunities for youth to live and work in the place where they were born and grew up, the Government proposes to contribute to the new student residence being built at the Kalgoorlie School of Mining. We will be contributing \$75,000 to it and \$35,000 to a recreation complex being built in association with the school.

If we are to have more balanced development, if we are to provide opportunities for our young men and women, if we are to maintain and build up our national skills, if we are to achieve more processing in Australia of Australian resources we will need to have a greater and continuing co-operation between governments and industry. We cannot achieve these things without effective planning and we cannot have effective planning without that sort of co-operation. In this State we have already embarked upon some far reaching measures for co-operation and participation in the development of its mineral resources. Proper planning must transcend State borders; for example we have agreed upon a feasibility study to determine the route of a pipeline bringing the natural gas from Palm Valley in the Northern Territory to Kalgoorlie then to Perth and thence to the North-West Shelf. We hope to achieve an assured and cheap supply of energy for the great industries based in Kalgoorlie. The whole scope of our national pipeline project is breathtaking but its the kind of thinking, the kind of planning which we must have if Australian resources are to be put to the best use for the greatest benefit of all Australians. I believe that against long term prospects for development now opening up before us the short term difficulties fade into insignificance.

I congratulate the Corporation on its achievement and its contribution. I congratulate this great and historic area of Kalgoorlie on the great new chapter now unfolding in its history.

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