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Title:
Speech opening SGIC office in Port Pirie

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SPEECH BY THE PREMIER, MR. DUNSTAN, OPENING S.G.I.C. OFFICE IN PORT
PIRIE. 31.10.75.

It's good to be back in Port Pirie, although I was a bit worried for a while that my passport might not be valid for this new Independent Republic of Spencers Gulf. But there was no-one at the border - in fact there was no border at all - so I'm pretty sure I'm still in South Aust.

But I'm happy to be here not only because it's Port Pirie, but also because I will be opening the latest branch of the State Government Insurance Commission. This is the Commission's fifth office, and it reflects the growth of S.G.I.C. activities since it was established by my Government in 1970.

The legislation setting up the Commission was one of our first acts after taking office, because we strongly believed that the people of South Australia wanted insurance at competitive prices and that they wanted the money generated by insurance premiums to be used to the benefit of the whole State.

And the people have shown their support for our move by bringing their insurance business to the Commission. I don't think any of us in either the Government or the Commission could have foreseen the tremendous growth in the business handled by the Commission, which in practical terms has only been operating since January 1972.

In 1972-73, the first full financial year the Commission operated, its premium income was \$4.9 million. Last financial year, the people of this State paid in \$27.4 million in premiums - an amazing growth in only three years.

So let's not make any mistake about it - South Australians want this Commission and they have shown its popular appeal through their wallets.

The S.G.I.C. was the last of the State Government Insurance Offices, some of which have been operating for more than 70 years. But when the Government decided to set up our Commission, there were howls of protest from the private insurers.

"Socialism" they shouted - "monopoly" they muttered. Anything irrelevant or irrational was thrown up as an argument against South Australia establishing an insurance office exactly the same as those operated by Liberal and Country Party Governments in other States for decades.

In fact, four of the six government insurance organisations in Australia are run by non-Labor Governments. The New South Wales Government Insurance Office is the largest general insurer in the country.

Up there behind the pineapple curtain, Joh Bjelke-Petersen runs a government insurance organisation nearly as big as the N.S.W. Office and which, in fact, has Government awarded monopolies of certain areas of business. Now, no-one could call Bjelke-Joh a socialist - you can call him a lot of other names, but not that.

So it's obvious that criticism of our State Government Insurance Commission on political grounds is just not valid. Nor can it be criticised for its performance. The Commission's innovative and forceful policies have attracted great interest, so much so that late last year the entire board and the general manager of an interstate insurance organisation came over to South Australia to look at just how we have achieved such a quick success.

And just to show you how hollow the private companies are in their opposition to the S.G.I.C., they have now completely withdrawn from one unprofitable area of insurance - motor vehicle third party cover - and have left it all up to the State Commission. And it appears that some of the private insurers are now withdrawing from another side of the insurance business which doesn't meet their requirements of continued high profitability, and that is compulsory workers compensation insurance.

That is what they mean by private enterprise - continued, almost guaranteed profitability, with little or no public responsibility. And yet the private insurance industry still has the temerity to criticise our Commission as being an unnecessary intrusion into this socially motivated, publicly responsible private sector.

No wonder so many South Australians are bringing their insurance business to S.G.I.C. In fact, more than 270 people each day take out new policies at the Adelaide head office, and if the four branches are included, the number swells to 1900 new policies a week - and this, of course, does not include third party policies.

But apart from the hundreds of thousands of policy holders, the whole State benefits from the S.G.I.C. To give you just one recent example of this - after the Federal Budget, South Australia faced a problem with our housing programme. The Federal allocation for housing in South Australia was held back to the same money levels as the previous year, which, while still very much higher than in the years before, was a blow to us because it meant our housing programme would not be able to continue the same level of expansion.

We would have had to taper off our public housing plans, rather than do as we want, which is keep them heading up and up. So one of the ways I sought, as Treasurer, to ease the problem was by asking the S.G.I.C. to deposit some of its premium funds with the State Bank, which could then lead it out for housing. Normally, the S.G.I.C. would invest at interest rates higher than the bank rate but the Government agreed to make up the loss of investment income. So \$4 million of South Australians' premiums was invested with the State Bank to build more houses for South Australians - all at a cost to the Treasury of only \$75,000 this year.

That's the sort of benefit which the S.G.I.C. can provide for all the State, and part of that housing money, like any other benefit, will help Port Pirie and the other cities in the region.

And I would like to return to the topic that I touched on jokingly at the beginning - the attempts by some people to drive a wedge between the city and the country.

Perhaps I shouldn't have made light about it, because it is a very serious matter. To attempt to separate the interests and needs of the person living in Adelaide from the interests and needs of people living in Port Pirie, Port Augusta, in the north or in the south-east is not only pointless but dangerous.

The economy of this State and of this country is so interdependent that to attempt to set the country dweller against the city person is the course for social disaster. The people of Adelaide need the farm products and raw materials produced in the country, but the rural community needs the manufactured goods and technology of the city. Where would farmers get their galvanised iron, the fencing wire, the pesticides from, if not from the industrial base of a city.

Don't be misled about the motives of these people who peddle this nonsense about the country breaking away from the city. They are doing so for their own political ends; they are quite cynically and deliberately exploiting any legitimate grievance you may have for their own party political ambitions.

If you have any problems with my Government, tell us of them. But don't let your interests get tangled up with the selfish aims of others. Just take the non-issue which sparked the absurd talk of secession in the Spencer Gulf Region. According to the would-be warriors, the State Government was trying to shove you out of planning for the Gulf area because we did not agree to a local government representative being appointed to a committee investigating pollution in the Gulf.

This nonsense was taken up so eagerly by many people that I wonder how many people at the meeting of the Spencer Gulf Cities Association actually read the letter from the Minister for the Environment - at the time Glen Broomhill - that started the whole non-issue.

That letter said quite clearly that the committee was a technical body, that its membership was comprised of experts who were gathering information about the environment and pollution, and that as it was a purely research task, local government representation was hardly appropriate. But, and this was the most important part of the letter and the part which few people bothered to mention, Glen Broomhill said quite clearly that when that technical phase has ended, the committee would be reconstituted and local government would then be given a voice on whatever new structure was set up.

So the whole issue was eliminated in the same letter which supposedly raised it, but that didn't stop a few people using it as some sort of evidence that the State Government had neglected the Spencer Gulf Region.

Nothing could be further from the truth: in the past three years we have spent more than \$65 million on new projects in the region, on schools, roads, community welfare, water and sewerage and health.

Just to take a few of those improvements; we have spent \$17 million on water and sewerage projects in the Spencer Gulf Region, more than \$2.5 million on electricity works and housing, and \$17 million on roads in the Spencers Gulf and northern areas of the State.

Only last week Des Corcoran was able to announce that the building of your causeway will go ahead at a total cost of more than \$410,000. When it is finished, and I hope that will be within the next ten months, it will be a great boost to the development of the city because it will free more than 70 acres of land suitable for new building and will improve the slipway facilities.

Your local council has wanted that causeway since 1958, and I am glad to be able to say that we have been able to get it started. The causeway is the latest example of our concern - it is not the biggest project we have ever undertaken, nor will it be the most expensive. But for your city it will be very important and we are anxious to provide facilities which will encourage development in Port Pirie.

So it is simply not true to say the Government has ignored the region. Certainly, Port Pirie may not have received everything it would like from the Government, but then no town - anywhere - has everything it would like. Personally, I wish the Government had a great deal more money to spend overall, and especially on country areas, but we have only a certain amount of funds and they have to be spread around the entire State.

But I don't think the Government is not concerned at your problems - we are and we are always willing to hear them. But sometimes we can't hear the talking for the shouting.